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LEGISLATIVE HISTORY

Public Law 957 84th Congress

Chapter 928 2nd Session

S. 898

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INDEX AND SUMMARY OF S. 898

Feb. 1, 1955	Sen. Smathers introduced S. 898 which was referred to the Senate Committee on Interstate and Foreign Commerce.
July 30, 1955	Senate reported S. 898 with amendments. Senate Report 1271. Print of bill and report.
Mar. 28, 1956	Senate passed S. 898 with amendment.
Mar. 29, 1956	S. 898 was referred to House Interstate and Foreign Commerce Committee. Print of bill as referred.
June 25, 1956	House committee reported S. 898 with amendment. H. Rept. 2425. Print of bill and report.
July 2, 1956	House discussed and passed over S. 898 at request of Rep. Ford.
July 5, 1956	House Rules Committee reported a resolution for the consideration of S. 898.
July 10, 1956	House agreed to resolution for consideration of S. 898.
July 13, 1956	House passed S. 898 as reported.
July 17, 1956	Rep. Dixon discussed S. 898.
July 20, 1956	House Committee on Interstate and Foreign Commerce agreed to recommend that Senate agree to House amendments.
July 25, 1956	Senate concurred in House amendments.
Aug. 3, 1956	Approved: Public Law 957-84th Congress.

DIGEST OF PUBLIC LAW 957-84th CONGRESS.

Public Law 957 (S.898) TRIP-LEASING OF VEHICLES FOR TRANSPORTING AGRICULTURAL PRODUCTS (approved August 3, 1956). Amends the Interstate Commerce Act, as amended, so as to grant authority to the Interstate Commerce Commission to exercise certain regulatory authority over the utilization by motor carriers (under leases, contracts, or other arrangements) of vehicles not owned by them. Denies ICC authority to regulate the duration of, or the terms of compensation under trip-leasing arrangements involving certain classes of vehicles which are used for the hauling of certain agricultural products.

84TH CONGRESS
1ST SESSION

S. 898

IN THE SENATE OF THE UNITED STATES

FEBRUARY 1, 1955

Mr. SMATHERS (for himself and Mr. MONRONEY) introduced the following bill;
which was read twice and referred to the Committee on Interstate and
Foreign Commerce

A BILL

To amend the Interstate Commerce Act, with respect to the
authority of the Interstate Commerce Commission to regulate
the use by motor carriers (under leases, contracts, or other
arrangements) of motor vehicles not owned by them, in
the furnishing of transportation of property.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 204 of the Interstate Commerce Act, as
4 amended (49 U. S. C., sec. 304), is amended by adding
5 at the end thereof the following subsection:

6 “(e) The Commission is authorized to prescribe, with
7 respect to the use by motor carriers (under leases, contracts,

1 or other arrangements) of motor vehicles not owned by them,
2 in the furnishing of transportation of property—

3 “(1) regulations requiring that any such lease, con-
4 tract, or other arrangement shall be in writing and be
5 signed by the parties thereto, shall specify the period
6 during which it is to be in effect, and shall specify the
7 compensation to be paid by the motor carrier, and re-
8 quiring that during the entire period of any such lease,
9 contract, or other arrangement a copy thereof shall be
10 carried in each motor vehicle covered thereby; and

11 “(2) such other regulations as may be reasonably
12 necessary in order to assure that while motor vehicles
13 are being so used the motor carriers will have full direc-
14 tion and control of such vehicles and will be fully re-
15 sponsible for the operation thereof in accordance with
16 applicable law and regulations, including the require-
17 ments prescribed by or under the provisions of this part
18 with respect to safety of operation and equipment; but
19 nothing in this part shall be construed to authorize the
20 Commission to regulate the duration of any such lease,
21 contract, or other arrangement for the use of any motor
22 vehicle, or the amount of compensation to be paid for
23 such use.”

A BILL

To amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

By Mr. SMITHERS and Mr. MONROE

FEBRUARY 1, 1955

Read twice and referred to the Committee on
Interstate and Foreign Commerce

84TH CONGRESS }
1st Session }

SENATE

{ REPORT
{ No. 1271

TRIP LEASING

REPORT OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE ON

S. 898, TO AMEND THE INTERSTATE COMMERCE ACT
WITH RESPECT TO THE AUTHORITY OF THE INTER-
STATE COMMERCE COMMISSION TO REGULATE THE
USE BY MOTOR CARRIERS (UNDER LEASES, CON-
TRACTS, OR OTHER ARRANGEMENTS) OF MOTOR
VEHICLES NOT OWNED BY THEM, IN THE FURNISH-
ING OF TRANSPORTATION OF PROPERTY



JULY 30, 1955.—Ordered to be printed

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1955

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

WARREN G. MAGNUSON, Washington, *Chairman*

JOHN O. PASTORE, Rhode Island
A. S. MIKE MONRONEY, Oklahoma
GEORGE A. SMATHERS, Florida
PRICE DANIEL, Texas
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BERTRAM WISSMAN, *Assistant Clerk*
FRANK PELLEGRINI, *Chief Counsel*
HAROLD I. BAYNTON, *Transportation Counsel*

TRIP LEASING

JULY 30, 1955.—Ordered to be printed

Mr. SMATHERS, from the Committee on Interstate and Foreign Commerce, submitted the following

REPORT

[To accompany S. 898]

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (S. 898) to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property, having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass.

GENERAL STATEMENT

This legislation, commonly referred to as the "trip leasing" bill, would amend the Interstate Commerce Act so as to implement the agricultural exemption provided for in section 203 (b) (6) of the act and, at the same time, protect the statutory power of the Interstate Commerce Commission to properly regulate motor carriers.

Public hearings were held on this bill June 20, 21, 22, and 23, 1955.

Trip leasing is the hire or lease of a motor vehicle, with driver, for a single one-way or round trip. It is a practice that has grown tremendously in the last few years and with its growth have come abuses. In many instances, according to public testimony, the trip lease has become a device to evade the regulations of the Interstate Commerce Commission, which are designed not only to promote a strong and efficient industry, but also to provide for the safety of those engaged in the industry as well as of all persons using the public-highway system of the Nation.

BACKGROUND INFORMATION

The two principal classes of motor carriers regulated under part II of the Interstate Commerce Act are common carriers, which operate

under certificates of public convenience and necessity, and contract carriers, which operate under permits, the difference being that the contract carrier engages in transportation of persons or property under individual contracts or agreements as against the common carrier which holds itself out to the general public to engage in such transportation. For the purposes of this report, both of these carriers will be referred to as "authorized motor carriers."

It should be understood that the practice of leasing is neither unlawful nor bad of itself. It was encouraged during World War II by our Government as a means of utilizing to the utmost our trucking industry and highway system as a means of furthering the war effort. Today, many authorized motor carriers augment their equipment by leasing. However, in what might be called the legitimate leasing business, no attempt is made to evade safety and other regulations. Equipment is inspected, hours of work are within the periods required by regulation, medical examinations of drivers are required, logs are kept, etc.

On the other hand, we have in this field of motor transportation what has become known as the "gypsies." For example, a person obtains a certificate from the Interstate Commerce Commission. He then is an authorized motor carrier, although he may own no trucks. When he obtains a load to move, he calls a truck stop or diner where itinerant truckowners and drivers otherwise commonly referred to as gypsies, congregate, and strikes a deal for a percentage of the revenue. Thus, a "gypsy" has been hired and his truck has been trip leased.

The carrier, in such an arrangement, sees neither the truck nor its driver; he does not know the condition of the equipment, if the driver has had a medical examination, if the driver is rested, or if he has just finished driving many more hours than is allowed under regulation.

This type of operation, among other things, lends itself to rate cutting with all its attendant evils, and it places unsafe equipment on the highways, often driven by exhausted and, therefore, dangerous drivers. It, of course, places the authorized carrier who obeys the laws and regulations at a serious competitive disadvantage.

The Interstate Commerce Commission, after many years of study, proposed a new regulation which would have, among other things, required that a lease of a motor vehicle must be for a period of 30 days or longer. It was thought that this regulation would bring trip leasing under control since a carrier would take care to see that equipment leased for long periods would meet the required tests. If the effectiveness of the proposed rule may be judged by the uproar that followed its publication, then indeed it must be presumed the Commission had found a good answer to the problem.

However, another and serious problem was immediately presented. Under the Interstate Commerce Act, certain carriers are partially exempt from regulation, such as private carriers, and carriers of agricultural products, including livestock and fish. We are concerned here with these exempt carriers.

Under existing law (49 U. S. C. 303 (b) (4a) (5) (6)) motor vehicles controlled and operated by any farmer when used in the transportation of his agricultural commodities and products thereof, or in the transportation of supplies to his farm; or motor vehicles controlled and operated by a cooperative association as defined in the Agricultural Marketing Act, approved June 15, 1929, as amended; or by a federation of such cooperative associations, if such federation possesses no

greater powers or purposes than cooperative associations so defined; or motor vehicles used in carrying property consisting of ordinary livestock, fish (including shellfish), or agricultural commodities (not including manufactured products thereof), if such motor vehicles are not used in carrying any other property, or passengers, for compensation, are all exempt from regulation, except as to safety requirements.

The principal purpose of such exemption is to provide a highly flexible motor-transportation service for the rapid and efficient distribution of exempt products to the markets of the Nation. It has become the practice of these exempt carriers, for example, to carry citrus fruit from Florida to New York. Then, rather than deadhead home, trip lease to an authorized motor carrier.

This practice accomplishes two important things: It holds down the cost of transporting agricultural products, and it tends to increase the efficient use of equipment and highways.

Testimony indicated that the original order of the Interstate Commerce Commission would, in effect, have outlawed this trip lease home. A limitation of a lease to 30 days or more would undoubtedly bar from such a practice the agricultural (exempt) carrier. He is interested in returning, as rapidly as possible, to his home area in order to move additional farm products to the market place. He cannot have his truck leased for 30 days or longer. If it was leased for such a period, then it becomes unavailable for the carriage of agricultural products, and the producers of such products would thereby lose that flexible transportation system so carefully provided for by the Congress and which must be preserved.

This is the problem the bill (S. 898) is designed to cure.

ACTION OF THE INTERSTATE COMMERCE COMMISSION

A brief summary of the actions of the Interstate Commerce Commission following the publication of the original order on May 8, 1951, and of the events brought about by such publication, emphasizes that the Commission was amending its order as the congressional inquiry developed more information.

A second order, published 10 days later on May 18, 1951, fixed September 1, 1953, as the effective date of the new regulations. The publication of the order was followed by the introduction of legislation (H. R. 3203; S. 925; 83d Cong.) designed, among other things, to deprive the Commission of authority to regulate the duration of any lease.

The House of Representatives, on June 24, 1953, overwhelmingly passed H. R. 3203. Between the time this bill was considered by the House Interstate and Foreign Commerce Committee and the time it was passed by the House, the Commission, on May 18, 1953, again amended its order to allow trip leasing by agricultural truckers, but only for a return trip to a point from which the original exempt carriage had started. Such a trip lease, moreover, was only allowed if the truck was owned or operated by a farmer or a farm cooperative association.

On August 14, 1953, in response to a resolution of the Senate Committee on Agriculture and Forestry, to which four members of this committee joined, the Commission, by order, postponed the effective date of the rule to March 1, 1954.

On November 30, 1953, during the period this committee was considering the legislation passed by the House, the Commission again amended and extended the exemption provision of the rule to read as follows:

(i) That equipment specified in section 203 (b) (4a), (5), and (6) of the act (49 U. S. C. 303 (b) (4a), (5), and (6)), may be utilized by authorized carriers under contracts, leases, or other arrangements applying for any period, upon completion of a movement in which such equipment is exempt from regulation by the Commission except as to qualifications and maximum hours of service of employees and safety of operations and standards of equipment, and is next being utilized by the authorized carrier in a loaded movement in any direction or in one of a series of loaded movements over reasonably direct routes in the direction of the general area in which the exempt movement originated, or in the direction of the area in which the equipment is based; provided the authorized carrier receives, prior to the execution of the lease, a statement signed by the owner of the equipment, or someone duly authorized to sign for the owner, authorizing the driver to lease the equipment for the return movement or movements, and a statement signed by the driver specifying the origin, destination, and the time of the beginning and ending of the last exempt movement.

This order also further postponed the effective date of the rule to March 1, 1955.

Still later the Commission again postponed the effective date of the order to March 1, 1956, in order that the Congress should have time to consider what action if any, should be taken.

THE EFFECT OF THE COMMISSION'S REGULATION

Under the regulation which will become effective March 1, 1956, a truck owned by a farmer, a farm cooperative association, or a carrier presently exempt because it transports agricultural products, livestock, or fish, could be trip leased, once in any direction, and then by one or a series of leases trip leased back to its home base. Such leasing, however, could only be done immediately following the transportation of exempt products. Private carriers would be barred from trip leasing even to their home base.

OBJECTIONS TO THE INTERSTATE COMMERCE COMMISSION REGULATION

Some authorized motor carriers, together with the teamsters union, object to any exemption. It appears, from testimony presented, that, while they do not actually object to carriers of agriculture products being exempt while carrying such products, they feel such carriers should not be allowed to trip lease home.

There is evidence in the record that such a requirement would seriously reduce the number of trucks available to the farming community during the harvest period when the demand is greatest. In addition, if these trucks could not trip lease home, then the cost of the empty return trip would be added to the overall cost of carrying exempt products, thereby increasing the price of agricultural commodities to the consuming public, and decreasing the farmer's income.

One of the objections of the exempt carriers to the proposed regulation is a fear that the Interstate Commerce Commission will stiffen its order to their detriment as soon as the Congress adjourns. This fear appears to be justified. While it should be noted for the record that Commissioner Cross testified that the Commission intends the regulation in question to be permanent, still the Commission's past actions with respect to this problem of changing the order only when congressional action appeared imminent, supports the exempt carriers' fear.

OBJECTIONS TO S. 898

The primary objection made to the bill in its original form was that it would take from the Interstate Commerce Commission the power to regulate trip leasing by denying the right to regulate the duration of the lease, or the amount of compensation to be paid under its terms.

Such an amendment, it is said, would severely handicap the Commission in its attempt to control the so-called gypsy operator, the real evil in trip leasing.

CONCLUSIONS

The committee believes that the solution to the problem is to enact into law that part of the Interstate Commerce Commission's regulation, as modified in the amended bill, which deals with trip leasing by exempt carriers.

By so doing the Congress will allay the fears of exempt carriers, protect their legitimate operations while at the same time leave the Commission free to regulate the carriage of goods on the public highways, a duty imposed upon it by law.

Accordingly the committee has amended the original bill to accomplish the following:

(1) Farmer and cooperative association-owned vehicles may be trip leased home after completing a carriage of farm products, livestock, or fish.

This would restrict the leasing of these vehicles more than the Commission's regulation, since it would not provide the "loaded movement in any direction" prior to the trip home that would be allowed by the regulation. The committee believes these trucks should be returned to their base as rapidly as possible, and not be allowed to roam the country.

(2) Private carriers may only trip lease home. Under existing law, private carriers are subject only to the Commission's safety regulations. Some of these carriers, while not exempt as agricultural carriers, move the products manufactured from farm products to the markets, and are an essential part of the flexible farm transportation system this legislation is designed to protect.

The Commission's regulation would bar private carriers from trip leasing. It is believed that a complete bar as proposed in the regulation is too drastic, and that the privilege of only trip leasing to home base is restrictive enough to prevent such carriers from becoming "gypsies." One of the reasons carriage of goods and passengers on our highways is regulated, is the promotion of the efficient use of both vehicles and our highway system. The amended bill would allow private carriers to put their equipment to use on a return trip. The bill, at the same time, would bar the exempt carriers from using their exemption as an excuse to engage in a field of transportation reserved to the authorized motor carrier.

(3) Other carriers of agricultural products, livestock, or fish, may, after such movement, trip lease once in any direction and then by one or a series of leases, trip lease back to their base of operation. The one trip in any direction is not a requirement and the carrier may proceed back to his base by one or a series of trip leases.

This provision is identical with the Commission's regulations. It would allow flexibility of movement to the operators of motor transport who supply the extra equipment needed during a harvest.

(4) Provide that the authority of the Interstate Commerce Commission to properly regulate motor carriers be maintained.

The bill would enact into law powers that are intended to strengthen the authority of the Interstate Commerce Commission in dealing with safety in motor transportation. While it is true that the courts have held that some of this authority already rests with the Commission, still it is believed advisable to make them law by enactment rather than by court decision.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italics, existing law in which no change is proposed is shown in roman):

INTERSTATE COMMERCE ACT, AS AMENDED

GENERAL DUTIES AND POWERS OF THE COMMISSION

SEC. 204. (*August 9, 1935, amended June 29, 1938, September 18, 1940, March 27, 1942.*) (49 U. S. C. § 304.) (a) It shall be the duty of the Commission—

(1) To regulate common carriers by motor vehicle as provided in this part, and to that end the Commission may establish reasonable requirements with respect to continuous and adequate service, transportation of baggage and express, uniform systems of accounts, records, and reports, preservation of records, qualifications and maximum hours of service of employees, and safety of operation and equipment.

* * * * *

“(e) Subject to the provisions of subsection (f) hereof, the Commission is authorized to prescribe, with respect to the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property—

“(1) regulations requiring that any such lease, contract, or other arrangement shall be in writing and be signed by the parties thereto, shall specify the period during which it is to be in effect, and shall specify the compensation to be paid by the motor carrier, and requiring that during the entire period of any such lease, contract, or other arrangement a copy thereof shall be carried in each motor vehicle covered thereby; and

“(2) such other regulations as may be reasonably necessary in order to assure that while motor vehicles are being so used the motor carriers will have full direction and control of such vehicles and will be fully responsible for the operation thereof in accordance with applicable law and regulations, as if they were the owners of such vehicles, including the requirements prescribed by or under the provisions of this part with respect to safety of operation and equipment and inspection thereof, which requirements may include but shall not be limited to promulgation of regulations requiring liability and cargo insurance covering all such equipment.

“(f) Nothing in this part shall be construed to authorize the Commission to regulate the duration of any such lease, contract, or other arrangement for the use of any motor vehicle, with driver, or the amount of compensation to be paid for such use—

“(1) where the motor vehicle so to be used is that of a farmer or of a cooperative association or a federation of cooperative associations, as specified in section 203 (b) (4a) or (5), or is that of a private carrier of property by motor vehicle as defined in section 203 (a) (17), and such motor vehicle is to be used by the motor carrier in a single movement or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based; or

“(2) where the motor vehicle so to be used is one which has completed a movement covered by section 203 (b) (6) and such motor vehicle is next to be used by the motor carrier in a loaded movement in any direction, and/or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based.”

Calendar No. 1287

84TH CONGRESS
1ST SESSION

S. 898

[Report No. 1271]

IN THE SENATE OF THE UNITED STATES

FEBRUARY 1, 1955

Mr. SMATHERS (for himself and Mr. MONRONEY) introduced the following bill; which was read twice and referred to the Committee on Interstate and Foreign Commerce

JULY 30, 1955

Reported by Mr. SMATHERS, with amendments

[Omit the part struck through and insert the part printed in italic]

A BILL

To amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 204 of the Interstate Commerce Act, as
4 amended (49 U. S. C., sec. 304), is amended by adding
5 at the end thereof the following subsection:

6 “(e) ~~The~~ *Subject to the provisions of subsection (f)*
7 *hereof, the* Commission is authorized to prescribe, with
8 respect to the use by motor carriers (under leases, contracts,

1 or other arrangements) of motor vehicles not owned by
2 them, in the furnishing of transportation of property—

3 “(1) regulations requiring that any such lease, con-
4 tract, or other arrangement shall be in writing and be
5 signed by the parties thereto, shall specify the period
6 during which it is to be in effect, and shall specify the
7 compensation to be paid by the motor carrier, and re-
8 quiring that during the entire period of any such lease,
9 contract, or other arrangement a copy thereof shall be
10 carried in each motor vehicle covered thereby; and

11 “(2) such other regulations as may be reasonably
12 necessary in order to assure that while motor vehicles
13 are being so used the motor carriers will have full direc-
14 tion and control of such vehicles and will be fully re-
15 sponsible for the operation thereof in accordance with
16 applicable law and regulations, *as if they were the*
17 *owners of such vehicles*, including the requirements pre-
18 scribed by or under the provisions of this part with
19 respect to safety of operation and ~~equipment; but noth-~~
20 ~~ing~~ *equipment and inspection thereof, which requirements*
21 *may include but shall not be limited to promulgation of*
22 *regulations requiring liability and cargo insurance cov-*
23 *ering all such equipment.*

24 “(f) Nothing in this part shall be construed to authorize
25 the Commission to regulate the duration of any such lease,

1 contract, or other arrangement for the use of any motor
 2 vehicle, *with driver*, or the amount of compensation to be
 3 paid for such ~~use.~~^{use}—

4 “(1) where the motor vehicle so to be used is that
 5 of a farmer or of a eooperative assoeiation or a federa-
 6 tion of eooperative assoeiations, as speeified in section
 7 203 (b) (4a) or (5), or is that of a private earrier
 8 of property by motor vehiele as defined in section 203
 9 (a) (17), and sueh motor vehiele is to be used by the
 10 motor earrier in a single movement or in one or more of
 11 a series of movements, loaded or empty, in the general
 12 direetion of the general area in whieh sueh motor vehiele
 13 is based; or

14 “(2) where the motor vehicle so to be used is one
 15 which has eompleted a movement eovered by section 203
 16 (b) (6) and such motor vehicle is next to be used by
 17 the motor earrier in a loaded movement in any diree-
 18 tion, and/or in one or more of a series of movements,
 19 loaded or empty, in the general direetion of the general
 20 area in whieh sueh motor vehiele is based.

A BILL

To amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

By Mr. SMATHERS and Mr. MONRONEY

FEBRUARY 1, 1955

Read twice and referred to the Committee on Interstate and Foreign Commerce

JULY 30, 1955

Reported with amendments

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued
For actions of

March 29, 1956
March 28, 1956
44th-2nd, No. 55

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HIGHLIGHTS: Conferees reached agreement on several provisions of farm bill. Conference was authorized to file conference report on farm bill during Easter recess. House agreed to conference report on bill to relieve farmers of excise tax on gasoline. Both Houses agreed to conference report on Colorado River storage bill. Both Houses agreed to conference report on Treasury-Post Office appropriation bill for 1957. Sen. Young inserted letter to Secretary defending dual-parity formula. Sen. Mundt urged Congress stay in session until farm bill is approved. Senate passed trip leasing bill. Rep. Hill inserted statement submitted by Secretary to House Agriculture Committee on farm bill.

SENATE

1. TRANSPORTATION. Passed with amendment S. 898, to amend the Interstate Commerce Act so as to exempt from ICC regulation certain trip leasing, on return from market, of trucks used to carry farm products to market. Agreed to the Committee amendments, which modify somewhat the coverage of the bill. Also agreed to an amendment by Sen. Magnuson to make more specific the definition of agricultural products to which the bill applies. pp. 5128, 5138, 5143
2. FARM PROGRAM. Sen. Young inserted a letter to the Secretary defending the dual-parity formula, and urging the Department to make an immediate study and report to the Congress on parity formulas. p. 5115
Sen. Mundt suggested that Congress abandon the Easter recess and remain in session until the farm bill is approved, and discussed this with several other Senators. p. 5115
3. PUBLIC LANDS. Received from the Interior Department a report relating to the withdrawals of public lands in certain cases; to Interior and Insular Affairs Committee. p. 5102

4. WATER. Received a Mass. Legislature resolution urging legislation to revise and extend the Water Pollution Control Act. p. 5102
5. FORESTRY. Sen. Morse spoke on the importance of forest access roads, and inserted several statements, including a Forest Service report, relative to this and other aspects of our natural resources. p. 5153
6. RECLAMATION. The Interior and Insular Affairs Subcommittee on Irrigation and Reclamation ordered reported without amendment H. R. 1603, to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects; and with amendment S. 497, authorizing construction, operation, and maintenance of the Washoe reclamation project, Nev. and Calif.; S. 1622, authorizing the Secretary of Interior to make payment for certain improvements located on certain public lands in Rapid Valley unit, S. Dak., of the Missouri River Basin project; and S. 2206, providing for construction and operation of the Ainsworth unit of the Missouri River Basin project. p. D301
7. IRRIGATION. The Interior and Insular Affairs Subcommittee on Irrigation and Reclamation ordered reported without amendment H. R. 8535, specifying conditions for loans for the construction of irrigation distribution systems. p. D301
8. ADJOURNMENT. Agreed to adjourn for Easter beginning Thursday, March 29, to Monday, April 9, 1956. Also agreed that committees may submit reports to the Secretary of the Senate during the Easter adjournment. p. 5136

HOUSE

2. FARM PROGRAM. The "Daily Digest" states: "Conferees continued, in executive session, to resolve the differences between the Senate- and House-passed versions of H. R. 12, Agricultural Act of 1956. In morning and afternoon sessions, the conferees reached the following agreements:
"(1) House agreed to the Senate provisions on price supports on cottonseed and soybeans, (2) Senate receded from its amendment making average grade the standard grade of cotton for price-support purposes, (3) Senate receded from its amendment requiring that certification be made that producers receive the price support or a fair price, (4) conferees adopted a provision authorizing the President to negotiate with countries to regulate imports of agricultural commodities and manufactured products therefrom, (5) conferees adopted a provision that the Secretary of Agriculture shall take into account drought years (or natural disaster years) in determining average yield for making payments under the acreage-reserve program, (6) Senate receded from its provision for reestablishment of historic share of world cotton market, (7) House accepted Senate provision extending authority for surrender and reapportionment of wheat acreage allotments through 1957, (8) House accepted Senate provision providing for minimum national acreage allotment for cotton in 1957 and 1958, and (9) House accepted Senate provisions providing for additional national cotton acreage allotments for apportionment to small farms.

"The conferees continued their work in an evening session, and will meet again tomorrow." p. D304

Rep. Miller urged that the conferees on H. R. 12, the farm bill, eliminate the "political hodge-podge of contradictory provisions" in order that the bill will be acceptable to the President. p. 5166

Rep. Cookey received unanimous consent to file a conference report on H.R. 12, the farm bill, during the scheduled Easter recess. He further suggested that it would probably not be called up for consideration before Apr. 11. p. 5167

One of the first things he did as a Congressman was to bring about the formation of the House Committee on Roads, from which grew the present Federal roads system.

In 1924 Mr. Byrnes lost the only political contest of the many in which he has participated. He ran for the Senate but lost to Cole L. Blease by a narrow margin.

For the next 6 years, Mr. Byrnes practiced law in Spartanburg, S. C., in the firm of Nichols, Wyche and Byrnes. Mr. Nichols had himself served in Congress and Mr. C. C. Wyche, the other member of the firm, has been for many years a distinguished Federal district judge in the western district of South Carolina.

In 1930 Mr. Byrnes ran against Senator Blease and defeated him. Senator Byrnes was a powerful and respected member of this body for the next 11 years. He rarely made a speech on the floor, but he seldom missed a committee meeting. When he did make a speech, his words were carefully weighed in high quarters. His power of persuasion in committees and in the cloakroom was legendary even while he was in the Senate.

At the Democratic Convention in 1932, Senator Byrnes had an important part in the nomination of Franklin D. Roosevelt as the presidential candidate. In the Senate he was chief lieutenant for the President. When he did not agree with Roosevelt proposals, he did not hesitate to vote against them.

In July 1941, President Roosevelt appointed Senator Byrnes to the Supreme Court, the third person from South Carolina ever to serve on the Court and the first in nearly a century and a half.

At the ceremony when Associate Justice Byrnes took the oath of office, President Roosevelt said he wished he were Solomon so he could divide Byrnes in two, appointing half of him to the Supreme Court and leaving the other half in the Senate.

But America was soon at war and Justice Byrnes offered himself to President Roosevelt for whatever service he could render his country.

In October 1942, the President called him from the Court to head the Office of Economic Stabilization and to coordinate the war effort.

His responsibilities were increased in 1943 when he was made Director of War Mobilization. In November 1944, the additional responsibilities of reconversion were put under his direction and his title became Director of War Mobilization and Reconversion. Except for the President, no other official in Government held so much power and responsibility. He was known as and in fact was the assistant President.

For his meritorious service in these vital offices during World War II, the Joint Chiefs of Staff recommended that Justice Byrnes be awarded the Distinguished Service Medal. The President made the award on August 4, 1945, and read the following citation:

Mr. James F. Byrnes, as Director of War Mobilization from October 1942 to March 1945, discharged duties of great responsibility with outstanding success. Faced with the problem of aiding the Chief Executive in girding the Nation for a conflict of unprece-

dent proportion, he accomplished his task with exceptional skill. * * * He accompanied the Commander in Chief to vital conferences, applying his extensive knowledge of interallied problems to their prompt and effective solution. With vast understanding, exceptional ability as an arbiter, unswerving devotion to the national interests and firm determination, Mr. Byrnes performed difficult service (of high importance), making a major contribution to the war effort.

President Truman called him out of retirement to become Secretary of State. He held the office for 562 days and 350 of those days were spent at international conferences. His journeys abroad carried him to London, Paris, Potsdam, and Moscow. As a diplomat he traveled approximately 77,000 miles. Other important conferences, including the 1946 meeting of the Council of Foreign Ministers, were held in this country.

Secretary Byrnes established the United States policy of firmness and patience with Russia in the early postwar period. He gave Germany hope for the future and helped to bind our relations with that country.

The statement of American policy which then helped bind Germany to the West was made by Secretary Byrnes in a speech at Stuttgart on September 6, 1946. He told the German people that the United States would continue her interest in the affairs of Europe and of the world. In words that Russia could not misunderstand, he declared that "peace and well-being cannot be purchased at the price of the peace and well-being of any other country." He assured the Germans that American troops would remain in their land as long as the troops of any other nation remained.

Another principal achievement by Mr. Byrnes as Secretary of State was the negotiation of the Balkan treaties.

Time magazine named Secretary Byrnes "man of the year" for 1946. In its cover article in the issue of January 6, 1947, Time said:

Had 1946 ended as it began, Molotov would have been the year's man. * * *

Before the year was out, however, the Russian flood was contained. On the dam that held it many men had labored. * * * But the dam's chief builder was James F. Byrnes * * * who became the firm and patient voice of the United States in the councils of the world. * * *

He managed to get over to the Russians, and the world, that the United States had planted the weight of its power in the path of the Russian advance.

Mr. Byrnes' resignation as Secretary of State was effective on January 20, 1947. He again took up active legal practice in the appellate courts, commuting between an office in Washington and one in South Carolina.

Persuaded that he could render vital service to South Carolina as Governor, he entered the Democratic primary in 1950 and won nomination over three opponents.

Governor Byrnes had campaigned on two main planks: That he would do everything in his power to improve the public schools of the State and that he would seek extensive improvements of facilities for mental patients.

He was inaugurated Governor in January 1951, and by the end of the legislative session that spring, Governor Byrnes had succeeded in getting the legislature to enact a broad program of educational improvement. A statewide school construction program resulted in allocation by the State of \$125 million for new schools. This program has now reached the \$200 million mark.

In his inaugural address, Governor Byrnes called for the unmasking of the Ku Klux Klan. This law was quickly enacted by the general assembly.

Many other progressive programs were started and completed during the Byrnes administration in South Carolina.

In 1952 Governor Byrnes declared his support for General Eisenhower in the presidential race. He stated that he did so because he felt he must place principle above party and that he believed the general the best qualified candidate for the office.

In 1953 Governor Byrnes served as a member of the United States delegation to the United Nations General Assembly.

Several years ago at the unveiling of a portrait of Mr. Byrnes in the South Carolina Senate, his friend Bernard Baruch spoke. He described Mr. Byrnes as "having joined that little band of immortals who make the world a finer and more peaceful place. We, of South Carolina, will always glory in that name."

Since he attained fame, Governor Byrnes has been the recipient of a number of honorary degrees from some of America's great universities. Occasionally, he comments humorously that he has been educated by degrees.

In 1947 he wrote a book, *Speaking Frankly*, which is an account of his experiences as Secretary of State. He established the James F. Byrnes Foundation to administer the proceeds from the sale of the book, and nearly 150 needy orphan students have received grants to prepare them for their chosen careers. The man who walked with kings did not forget those who needed help when he was able to offer that help.

Upon retirement from public office in 1955, Governor and Mrs. Byrnes built a new home in Columbia, the capital of South Carolina. He no longer practices law, but he goes to his private office almost daily to answer mail which comes from friends and strangers in faraway places.

He has the esteem, the high prestige, and the great respect and affection of millions, not only in South Carolina but throughout the world.

His career has been unique; his position of prominence is equally unique.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LAIRD in the chair). Without objection, it is so ordered.

Is there further morning business? If not, the Chair lays before the Senate the unfinished business.

AMENDMENT OF INTERSTATE COMMERCE ACT

The Senate resumed the consideration of the bill (S. 898) to amend the Interstate Commerce Act, to regulate the use of motor vehicles not owned by motor carriers.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the junior Senator from Florida be recognized at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMATHERS. Mr. President, the trip-leasing issue has been before the Congress for over 3 years and I believe the time is way overdue that it be settled by statute to remove the continuing doubt, uncertainty, and confusion it has brought to those engaged in transporting agricultural commodities by motor vehicle. Likewise, the uncertainty and confusion should be ended in fairness to the farmers of the Nation who produce crops which, in order to be put to beneficial use, must be transported to the persons and places where they are needed.

Let me make perfectly clear at the outset that the bill before the Senate today, S. 898, as reported by the Senate Interstate and Foreign Commerce Committee on July 30, 1955, in the closing days of the first session of this Congress, is a compromise bill. It is far different from the bill overwhelmingly passed by the House in 1953 (H. R. 3203) and as introduced in the Senate during the last session.

In its reported form it has been cut down from completely prohibiting the ICC to regulate length of lease or amount of compensation for a lease to meet the minimum necessary needs of agriculture, and contains far less restriction on the authority of the Interstate Commerce Commission to regulate the leasing of trucks than the earlier regulation.

First, let me give a little history and background to the problem. There are two general types of motor carriers which are fully regulated by the Interstate Commerce Commission—common motor carriers which must obtain certificates of convenience and necessity and contract carriers which must obtain permits for operating authority. These two general types of carriers are generally referred to as authorized carriers.

Outside of the regulatory control and authority of the ICC, except as to safety matters, are four main groups of carriers most concerned in this legislation, namely farmers, cooperative associations of farmers, operators who haul agricultural commodities, and private carriers.

Back in May 1951, the Interstate Commerce Commission issued some regulations in a proceeding known as Ex Parte MC-43 to govern the lease and interchange of vehicles by motor carriers—Lease and Interchange of Vehicles by Motor Carriers, 52 MCC 675. One of the rules promulgated by the Commission would have limited the minimum duration of the lease of any truck to an au-

thorized carrier to 30 days. This rule became the subject of court action and finally, on January 12, 1953, the Supreme Court of the United States held, in the case of *American Trucking Associations v. U. S.* (344 U. S. 298 (1953)), that although the Interstate Commerce Act contained no specific grant of authority from the Congress to the Commission to put such a restrictive rule into effect; however, under the implications of the general grants of authority in the Interstate Commerce Act, the promulgation of this rule for authorized carriers falls within the Commission's power.

Just where did this decision of the Supreme Court in 1953 leave agriculture as to its ability to meet its practical transportation requirements?

Judging from the outcry and protestations that came from farmers and their representatives from nearly all sections of the country, continuing right down to today, it left the farmers away out on the limb and the limb was about to be cut off.

For many years, even predating the passage of the Motor Carrier Act of 1935, trucks hauling farm products to market have found it necessary to try to obtain from some of the regular carriers a load of general freight to transport back to or in the general direction of the area where the original movement started. This has helped to reduce the cost of transporting the farm products to markets because obviously the rate or cost on the initial movement is decreased if a payload can be obtained for the backhaul.

The imposition of the 30-day minimum limitation proposed by the Interstate Commerce Commission on the lease of trucks with drivers to authorized carriers, by farmers, cooperative associations of farmers, operators hauling agricultural commodities, or private carriers would obviously prohibit trip-leasing, which is usually for only a few days. None of these haulers would or could tie up their trucks to authorized carriers, even if the authorized carriers needed them, for a period of 30 days when their economic need was to return as fast as possible to home base or go to another harvest area to perform legitimate hauling functions.

So the people in agriculture, alert to the serious dislocations and the great blow that would be dealt the orderly marketing of agricultural commodities by the imposition of the 30-day rule of the ICC, asked Congress to establish a fair, clear policy by law which would preserve the economical and efficient practice of leasing trucks, with drivers, to authorized carriers for backhauls.

Bills were simultaneously introduced in the Senate and House in 1953. The House of Representatives moved first to consider the proposed legislation to relieve the plight of the farmer which would result from the prohibition by the ICC against trip-leasing. After extended public hearings before the House Committee on Interstate and Foreign Commerce in 1953, and lengthy executive sessions, the House Commerce Committee reported favorably and the House of Representatives overwhelm-

ingly passed H. R. 3203 on a voice vote June 24, 1953.

The bill gave the Interstate Commerce Commission affirmative powers not theretofore written specifically in the Interstate Commerce Act to regulate leasing practices, but denied to the Commission the authority "to regulate the duration of any such lease, contract, or other arrangement for the use of any motor vehicle, or the amount of compensation to be paid for such use." The compensation provision was inserted in order to prevent the Commission through indirect control over the amount of the rental compensation for the lease of trucks to bring about the abolition of trip-leasing.

Let me make it clear here that when an agricultural hauler leases his truck and services to an authorized carrier for a backhaul, the agricultural hauler and authorized carrier may mutually agree upon any rental compensation they care to but the authorized carrier must charge the published tariff rate to the shipper, whose freight is being hauled, just as if he were using an owned, rather than a leased truck.

Although public hearings were held before a subcommittee of the Senate Committee on Interstate and Foreign Commerce on the trip-leasing bill in 1953, no action was taken. Again hearings were held in May and June 1954, before the full Senate Committee on Interstate and Foreign Commerce on the trip-leasing bill. In spite of repeated efforts by some members of the committee on both sides of the aisle to bring the bill to a vote in the committee, these efforts were unsuccessful, and the 83d Congress was permitted to adjourn in 1954 without a committee vote being taken.

At the beginning of the 84th Congress, last year, the junior Senator from Oklahoma [Mr. MONRONEY] and I cosponsored the trip-leasing bill again and public hearings were held on this legislation before our Subcommittee on Surface Transportation during June 1955.

Finally on July 30, 1955, in the closing days of the first session of this Congress, the Senate Committee on Interstate and Foreign Commerce reported the bill, with amendments, favorably to the Senate.

The committee report is before the Senate and sets forth a summary analysis of the problem and compelling reasons why the proposed legislation is sound and necessary. It has been clearly demonstrated on the record that if the Commission's original 30-day rule had gone into effect, it would have resulted in substantial increases in transportation charges for moving agricultural products from the farmer to the consumer. In addition, it would have put out of business many of the agricultural haulers upon whom many farmers, particularly the family-type farmers, are dependent for the marketing of their products.

The Commission has evidenced its recognition of this condition by amending its proposed 30-day rule at least 3 times while the proposed legislation was before Congress, and has also during the

past 3-year period extended from time to time the effective date of the 30-day rule which is now scheduled for July 1, 1956. Except for the trip-leasing feature with respect to private carriers, the Commission has no objection to the bill.

Simply stating the problem before us, farmers and others have empty trucks which must be moved to points where traffic is available. Rather than incur the loss of moving an empty truck, the truck is leased for use to someone who has traffic to be moved in the direction in which the truck is bound. Usually the lease is for only a few days or for the duration of a trip; hence the term "trip lease." Such leases are often necessary to get the truck into position for profitable use, and are often arranged with common and contract carriers subject to the Interstate Commerce Act.

Under the July 1 order, the ICC would have leases of motor vehicles made for a minimum of 30 days, thus effectively putting an end to trip leasing and the economies accompanying it. S. 898 would establish standards for the ICC to follow in regard to trip leasing, with specific provisions designed to meet the needs of agriculture and private carriers.

I have spent a great deal of time on this matter and have conferred with representatives of farm operators from all sections of the country. I am convinced that the bill has been watered down as much as is possible without permitting serious detriment to the marketing of farm products. We all know there are actually thousands of private canneries, meat-packing houses, citrus plants, and the like, which, because of the continual increase in railroad and regulated motor-carrier rates, have been forced from the standpoint of economy of operations to buy their own trucks and transport their own products to their customers. These trucks are an important part of the transportation pool that serves the farmer's total transportation needs.

It would be uneconomic to permit a farmer or a group of farmers who have trucks in which they haul canned vegetables to their customers to lease the trucks to authorized carriers for a back haul, but to deny the same right to the privately owned cannery across the road from the farmer's plant. Likewise, the transportation costs and the right of the private cannery to trip lease have a direct bearing upon the amount which the private cannery can pay the farmer for his products. The same is true with respect to the thousands of private dairy plants, meat-packing houses, and other private concerns that deliver to their customers in their own trucks the processed food and fiber produced on the Nation's farms.

It is important to note that the private carrier, under the bill, cannot go all around the country, as it has been claimed some have done in the past, but will be definitely restricted in leasing his truck in a single movement or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based.

So much for the bill, what it will do, and why it is necessary. So far as agri-

culture is concerned, there is a more far-reaching reason why it is necessary for Congress to settle the matter of trip-leasing by statute rather than to leave it for determination by the Interstate Commerce Commission.

Ever since the passage of the Motor Carrier Act in 1935, the ICC has demonstrated its attitude toward the exemption from route and rate regulation of trucks hauling agricultural commodities, which Congress wrote into the Motor Carrier Act in 1935. Obviously the advantage to farmers of exemption from rate regulation of trucks hauling farm products to markets is dependent upon those trucks being able to earn some compensation on the return movement which results in lower round-trip operational costs.

Time and time again the ICC since 1935 has recommended legislative action to Congress which would either restrict or completely repeal the agricultural exemption. In the 69th Annual Report of the ICC to Congress, dated November 1, 1955, and submitted just a few weeks ago, the Commission at page 128 recommended "that section 203 (b) be amended so as to limit the exemption of motor vehicles transporting agricultural commodities, fish, and livestock to transportation from point of production to primary market."

In the same report, at page 129, the Commission recommended that agricultural haulers and private carriers, as well as other carriers subject to safety regulations but not subject to economic regulation, be required to register with the Commission. Of course, we all know that registration is a customary first step toward eventual full economic regulation.

Aside from its legislative recommendations, the Commission time and again through strict construction of the scope of the term "agricultural commodities" has clearly demonstrated that it wants to exercise more and more regulatory power over the manner and cost of the movement of agricultural commodities by motor vehicle. Today there is pending before the Supreme Court a case to determine whether dressed poultry is an agricultural commodity. The Commission, although admitting that live poultry is an agricultural commodity and that trucks hauling it are beyond its regulatory jurisdiction, has contended that chickens with their heads and feathers removed have been transformed into a manufactured product and trucks hauling such dressed poultry are subject to the Commission's regulatory powers as to rates and routes. In the eighth Federal circuit, where it was held that dressed poultry is an agricultural product, the ICC follows this ruling. In the remainder of the country, the ICC considers dressed chickens a manufactured product—*Krobin v. U. S.* (348 U. S. 836 (1954)).

Likewise, there is now being litigated in a New Jersey district court the issue of whether shelled nuts are an agricultural commodity. The Commission says no; agriculture thinks that whether shelled or in the shell, nuts are an agricultural commodity.

These are only a few of the many decisions by the Commission reflecting its attitude toward the agricultural commodities exemption, an attitude which has caused farmers to feel extremely insecure about the trip-leasing problem; they will continue to so feel until Congress acts. I must say, in all fairness, that there is much other evidence in the record to support agriculture's concern and feeling of insecurity.

Furthermore, the ICC is an agency of mortal men who may be on the Commission today and gone tomorrow. Any decision by the Commission today on this 30-day leasing rule which will protect the proper interests of agriculture might not be the decision of the Commission tomorrow or at some time in the future when the composition of the Commission has changed. This, of course, does not impute any bad faith at all to either former, present or future members of the Commission. As an example of the changes that occur, since the end of 1955, a little over 2 months, there have developed 4 vacancies on the Commission. Since May 1951, when the original 30-day rule was issued by the Commission, 10 of its 11 members have departed by resignation, retirement, or expiration of their terms.

There are other compelling reasons arising from the manner in which this whole problem has been handled by the Commission that makes, I believe, action by the Congress necessary.

On February 2, 1955, the ICC by official order postponed the effective date of the controversial 30-day rule from March 1, 1955, to March 1, 1956. The deferment was stated as being primarily for the purpose of affording Congress an adequate opportunity to consider and dispose of the pending legislation. On June 22, 1955, when spokesmen for the ICC appeared before our subcommittee at public hearings on this bill, in discussing the effective date of the 30-day rule, the Commission spokesman reiterated that the effective date of the rule had been postponed until March 1, 1956. These assurances were one factor in our willingness for this bill to go over from last year to this second session for action by the Senate. Then out of the clear, after Congress had adjourned last year, on October 17, 1955, the ICC made public an order advancing from March 1, 1956, to December 1, 1955, the effective date of the controversial 30-day rule.

Many Members of the Congress are familiar with this event, and only after many protests from Members of Congress and shippers around the country did the Commission, on November 15, 1955, restore the effective date to March 1, 1956. The Commission subsequently deferred the effective date to July 1, 1956.

I bring this matter to the attention of the Senate, not in any spirit of destructive criticism of the Commission, for whom as individuals and an official body I have the highest respect. I do regard it as essential, however, that the Members of the Senate be acquainted with some of the facts incident to the ICC's handling of this whole matter, which certainly is not conducive to the inspira-

tion of confidence on the part of the agricultural shippers of the Nation that their interests will be reasonably protected in this matter unless a policy is established by statute.

In conclusion, I wish to say a few words on this matter of safety. Some of the opponents of the bill have made the argument that trip-leasing must be prohibited to promote safety on our highways. Of course, safety is a matter that is close to the hearts of every American. It involves the welfare of all our families and every person using our highways. We are in accord with every reasonable move that will promote safety. But the fact is that, in the hundreds of pages of printed testimony before congressional committees on this issue, I cannot find any convincing evidence, if any evidence at all, that the leased trucks on our highways are more dangerous than owned trucks. Realistically, it is reasonable to believe that the man who owns and drives a truck under lease to someone else, in which he has an investment, would be just as careful, if not more so than the man who is an employee driver.

A few dramatic cases have been brought up which show accidents in which leased trucks have been involved. But they do not prove anything. One could as reasonably argue that the several railroad accidents in recent months, in which a considerable number of persons have been killed and many more injured, make rail transportation more hazardous than some other modes of transportation. But such argument would be absurd.

There are two rather convincing points that undermine the weight of the safety argument that has been advanced against this bill.

First, the Supreme Court dispelled this argument in its decision on January 12, 1953, involving this issue. The majority opinion said:

The conclusion that highway safety may be impaired rests admittedly on informed speculation rather than statistical certainty. A road check examination conducted by the Bureau (Bureau of Motor Carriers, ICC) did not indicate any significant difference in the number of safety violations between leased and owned vehicles (*American Trucking Associations v. U. S.* (344 U. S. 298, 305, footnote 7 (1953))).

Second, after the controversy over the 30-day rule developed, the ICC reopened the leasing proceeding to take additional testimony on the issue. Further hearings were held before an ICC examiner in 1954 at which many witnesses appeared. The examiner's proposed report was finally released on January 17, 1955, based upon all the evidence he had received, and in his official report on the matter of safety he gave substantially the same answer regarding safety as was given by the Supreme Court.

Thereupon the examiner recommended to the Commission that the effective date of the 30-day rule be postponed until at least March 1, 1957, and that the Commission enter an order requiring authorized carriers to segregate all reportable accidents reported according to whether the accident involves company-owned, term-leased, or trip-leased equipment.

The examiner's recommendation contemplated that in the 2-year period reliable data on a nationwide basis could be compiled and considered at a further hearing as to just what bearing, if any, the trip-leasing of vehicles had on the matter of safety on the highways.

But the Commission did not see fit to follow this recommendation of their examiner, who had heard all the evidence and had an opportunity to weigh it carefully. Instead, the Commission proceeded to order the 30-day rule to go into effect, although it has been subsequently postponed.

So, regardless of the arguments made against this bill in the name of safety, which is of universal concern to us all, it is perfectly clear from the record that such arguments are based on isolated cases and conjecture—not facts that prove anything.

I do not think I need to say more at this time. There was probably never a bill which came before the Senate on which there have been more thorough hearings and screening and on which so much effort has been expended to reconcile the opposing views.

In view of the extended debate recently held on this floor on the farm bill, in an effort to find a constructive way to help the farmer help himself, it is inconceivable to me that the Congress would permit an agency of Government to be free to further extend its regulatory powers, as the ICC has proposed to do and as this bill is intended to prevent, with a certain further increase in transportation costs and a further tightening of the cost-price squeeze on the farmers of our Nation.

This is one of the few issues in my memory on which all of the farm organizations and agriculture generally, from the grassroots to Washington, have been in accord. The National Grange, the American Farm Bureau Federation, the National Council of Farmer Cooperatives, and the National Farmers Union, as well as scores of other national organizations across the country serving farmers in their marketing operations, have publicly and privately, time and again, urged the passage of this legislation.

I highly recommend that the Senate pass S. 898.

I might say at this point that, as the able chairman of the committee knows, and as the former chairman of the committee is aware, we have discussed this particular proposed legislation, not only with the farm groups, but we have talked it over with the railroad associations, with the trucking groups, and with the representatives of the private carriers.

The bill which is now before the Senate represents the very best bill we shall be able to get on this particular problem. It is my hope that we shall be able to pass a bill which will, once and for all, define exactly what we mean when we give an agricultural exemption and at the same time try to recognize, as we do in the bill, that if we are to have any sort of regulated common carriage in this country, we must continue to give to the ICC certain authority whereby it can control certain certificated common carriers.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. Will the Senator from Florida advise me whether the bill as it has been reported will cover the problem adequately?

Mr. SMATHERS. My answer is "yes." I think the bill will protect the different groups. I am sure it protects the reasonable demands of the agricultural groups.

Mr. SMITH of New Jersey. I understand an amendment later will be offered. My interest in the bill and the amendment which will be presented results from the fact that in my State of New Jersey there are several large firms which are engaged in the processing of quick-frozen foods, especially the Seabrook Farms—and several firms dealing in canned foods, especially the Campbell soup firm. I understand the bill is to be amended in a way which might affect the activities of the frozen-food industry and the canned-soup industry in my State.

Mr. MAGNUSON. Mr. President, if I may interrupt, I think if the Senator from New Jersey will wait until I offer the amendment, it might be a better time to ask the question.

Mr. SMITH of New Jersey. I shall be glad to postpone further questioning of the Senator from Florida.

Mr. SMATHERS. Mr. President, I ask unanimous consent that I may yield to the Senator from New Mexico so that he may submit a conference report, without my losing the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

COLORADO RIVER STORAGE PROJECT—CONFERENCE REPORT

Mr. ANDERSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 500) to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of March 27, 1956, pp. 5076-5078, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ANDERSON. Mr. President, I have prepared a statement which I wished to present and have printed in the RECORD for the purpose of adding to the legislative history. I do not intend to read the statement at this time. Other members of the committee are present. I am anxious to have them comment on the conference report.

But I ask unanimous consent to have my statement on the conference report printed at this point in the RECORD.

have only recently been made on a broad basis. At that time (around 1952) our chief basis for believing in the ultimate usefulness of titanium was a comparison of its mechanical properties with those of alternative materials. The high-strength, corrosion-resistant steels were not then available and the properties of titanium looked very good. Had the steel industry developed these alloys five years earlier, I doubt if the decision to go ahead with a major titanium effort would have been made.

Sponge production program

Early in 1952 a committee on materials was formed within the Research and Development Board organization. Much of the time of this committee was devoted to the perennial problem, titanium. In the summer of 1952 it recommended a course of action that was to have far-reaching consequences. It had concluded that the difficulties besetting the industry were primarily due to the inability to process titanium into mill products on a continuous basis, in order to learn how to establish adequate control of product quality. A survey was made of the potential use of titanium over a 3-year period, assuming that all quality problems were overcome. This survey indicated that 35,000 tons per year of sponge might be needed after 3 years. The committee then took the bull by the horns, and recommended that the necessary steps be taken to build up sponge capacity to 35,000 tons by 1955. This was reduced by ODM to an initial goal of 25,000 tons by 1956, and subsequently further downward adjustments have been made.

This was the origin of the Government sponge support program. Certain errors and omissions in connection with this action are the cause of some of the subsequent problems which have been encountered.

In the first place, the difficulties encountered by the producers were not confined to the sponge production stage. While the sponge produced at that time would now be considered to contain an unacceptable level of impurities, the principal difficulties affecting the quality of mill products were in the melting and fabrication stages. Action taken to build up sponge production would not help solve the problems of subsequent stages in the process.

Secondly, no account was taken of the lead time between the time when a material with satisfactory properties becomes available and the time it can be procured in quantities for production use. This lead time is the time required to obtain complete engineering data, fabricate and test experimental components, and design, fabricate and test prototypes. For such complex structures as aircraft, this period can easily cover from 3 to 6 years, or even more where the effort is small.

It was therefore no surprise that use of sponge in mill products failed to reach the level of even the reduced sponge program.

About a year ago, when the gap between the sponge production rate established by the Government, and the rate of use by industry became uncomfortably large, a new plan was adopted. Recognizing that in the early stages of application of titanium, it is difficult to make accurate estimates of consumption more than a year ahead, whereas 2 or more years are required to plan and construct added sponge capacity, it was decided that a factor of safety of 100 percent should be added to forecasts of consumption. Since, even with this factor of safety, use of sponge would be somewhat less than the planned rate of expansion under the old program, certain of the planned increments of production were postponed.

The growth of consumption of titanium is being very closely watched, with new estimates being made every 3 months, so that we will be able to take timely action to raise production goals in ample time to prevent a sponge bottleneck.

Titanium Metallurgical Laboratory

A very significant event in the history of the titanium industry was the establishment, a year ago, of the Titanium Metallurgical Laboratory at Battelle Memorial Institute. During the summer of 1954 the Secretary of Defense became concerned with the magnitude of the problems confronting the titanium and aircraft industries, which were preventing a desirable rate of introduction of titanium into the construction of military aircraft. He requested the Assistant Secretary of Defense (Research and Development) to take appropriate action to correct this situation. After consulting with a number of his senior advisers, Mr. Quarles concluded that two steps should be taken. The first was establishment of a titanium laboratory to undertake research of a short-range nature on urgent problems and to provide technical consulting services to industry and the Department of Defense on titanium metallurgy.

The second step was the organization of a group to exercise greater leadership and coordination in the Department of Defense titanium program. This group is the so-called titanium steering group.

The operation of the laboratory has centered around four phases of activity:

1. Collection and dissemination of technical information on titanium.
2. Advice to the steering group to assist in formulating the D. O. D. titanium program.
3. Special tasks, investigations, and surveys on important problems.
4. Technical consulting services to industry.

Much effort during this first year of operation of the laboratory has gone into the organization of the information center. The laboratory has attempted to obtain copies of all existing reports on Government and Government-sponsored research and development on titanium. There are about 200 such research projects currently in existence, and an additional four hundred-odd projects have been completed. From these projects, approximately 1,400 reports have been collected. Technical literature for the past 50 years was screened, and abstracts and full texts of important articles have been obtained. Arrangements have been made for the laboratory to secure, as they are issued, copies of all reports on current Government-sponsored research. The laboratory is also monitoring current technical literature throughout the world for information on titanium. Approximately 1,250 journals are being monitored either directly or through various abstracting services. In addition, a systematic effort has been started to collect nonproprietary information from private research and other private sources, as well as the mass of unorganized and unreported data which has been accumulated by industry.

All of this mass of information is organized in such a way that all information pertinent to a particular subject may be found on one place in the files. These files are available to anyone having a legitimate interest in defense applications of titanium. Access to the information may be either by a letter of inquiry or by a personal visit to the Laboratory. In addition, the more significant information is summarized in a series of state-of-the-art reports covering selected aspects of titanium metallurgy. About 15 such reports have been issued and 20 more are under preparation. These reports are distributed to a mailing list containing over 600 names.

In addition to the operation of the Information Center, the Laboratory is engaged in a wide variety of activities serving both industry and the Government. One of the most interesting of these activities involves a study, in cooperation with the Aircraft Structural Materials Subcommittee of NACA and the ANC-5 Committee, of the true na-

ture of design data required by aircraft designers. It would require a prodigious amount of effort to secure mechanical property data covering yield and ultimate strengths in tension and compression, as well as values for ductility, bearing strength and other properties even at room temperature for a wide range of titanium alloys. When you multiply this by the amount of additional data required to cover a broad range of elevated temperatures, as well as short time and transient conditions, you can see what an imposing task faces us in supplying quickly the sort of information designers are accustomed to using for conventional materials.

An analysis of conventional mechanical property data, such as tensile strengths and elongations, revealed that these are imaginary concepts having no fundamental meaning in relation to structural design. An effort is being made to see if there are not more fundamental values which could be established by relatively few tests on each new alloy, and from which conventional properties could be computed. If such a shortcut can be found, it will save millions of dollars and months, if not years, of time in furnishing essential data.

Titanium technology

So much for an account of how we got where we are. I would like to make a few remarks on the current state of titanium technology.

As far as I know all production applications of titanium (with one minor exception) use the metal in the annealed condition. The alloys commercially available, of which there are 5 in general use, have a minimum guaranteed yield strength ranging from 110,000 to 130,000 pounds per square inch. Four of these alloys are of the alpha-beta type, and therefore capable of strengthening by heat treatment. Typical annealed strengths are from 5,000 to 30,000 pounds per square inch above the specification value, and one of the problems of titanium producers is to try to narrow this range. This variation in strength is a major cause of difficulty in fabricating titanium. It also penalizes titanium unduly in relation to other materials, because it is necessary to use the low side of the range of typical strengths, for design calculations.

Since practically all titanium is used as annealed, a comparison of the strength of annealed titanium with steel and aluminum of equivalent weight is of interest. While for aircraft design purposes the tensile yield is not very significant, it is convenient to use for purposes of comparison. Titanium at 120,000 pounds per square inch and 0.165 pounds per cubic inch density is approximately equivalent to aluminum at 73,000 pounds per square inch, and steel at 175,000 pounds per square inch. The annealed titanium competes fairly well with high strength heat treated alloys of aluminum or steel.

In order to obtain the full advantage of titanium in aircraft design it is necessary to heat treat the alpha-beta alloys to the strength levels of which they are capable. We do not have enough information to know what strength can be expected on a commercial basis either as typical values or minimum specification values. Laboratory experiments have shown that any of the alloys can be heat treated to yield strengths ranging from 170,000 to 190,000 pounds per square inch or higher, while retaining elongation of around 10 percent. For the sheet rolling program we are sponsoring, the objective is to reach 160,000 pounds per square inch yield as the minimum guaranteed value at room temperature, with uniform elongation of 10 percent and 105,000 pounds per square inch at 800° F. Typical values will probably be 170,000 pounds per square inch at room temperature and 115,000 pounds per square inch at 800° F. Equivalent room temperature

values would be 102,000 pounds per square inch for aluminum and 300,000 pounds per square inch for steel. This compares with available typical yield strength of 72,000 pounds per square inch for aluminum alloy and 170,000 for steel (with, however, only 5 percent elongation). It is comparisons such as these that keep our enthusiasm for titanium alive in the face of discouragingly high prices and technical problems.

A great deal of work is being accomplished to develop improved alloys to overcome the shortcomings of the alloys which are commercially available. Some of these difficulties are nonuniformity of distribution of alloying elements in the ingot, poor formability in sheet, susceptibility to hydrogen embrittlement, and instability at elevated temperatures. The popular alloying elements around which many of the newer alloys are developed are aluminum, vanadium, and molybdenum.

Aluminum, which is an alpha-stabilizer, contributes to high-temperature strength. By the same token, alloys containing high percentages of aluminum are difficult to roll into sheet. Molybdenum and vanadium are beta-stabilizers and seem to confer a better combination of strength and ductility than some of the other beta-stabilizers such as iron and chromium. A very important characteristic of these elements is the tolerance to hydrogen which they seem to confer to the alloys.

The first alloy in the new series to reach commercial importance is the 6Al-4V alloy. This was originally developed as a bar and forging alloy. More recently there has been intense interest in its use as a sheet alloy because of the very good properties that can be obtained through heat treatment. The relatively high aluminum content has made this a difficult alloy to roll into sheet, and there are other problems inherent in this alloy in sheet form, such as difficulty in controlling oxygen content.

Some mention should be made of the sheet rolling program being sponsored by the Titanium Steering Group and administered by the Bureau of Aeronautics. This is an effort to accelerate, perhaps by several years, the availability of improved alloys in sheet form to meet the present needs of aircraft designers. A careful selection has been made among candidate alloys for large scale experimentation. For each of the alloys selected, contracts are being negotiated with two producers to produce the alloys in selected gages on a full commercial scale with the objective of meeting the target mechanical properties. These properties represent the highest level which it is believed can be successfully met in the present state of the art. At the same time, they are high enough to meet the essential needs of aircraft designers, and to place them well out in front of competing materials. The alloys which have been tentatively selected are 4Al-2V-1Cr-1Mo, 3Al-6Mo, 4½Al-3Mo-1V. A good look is also being taken at the 6Al-4V, in spite of the known fabricating difficulties, because of its excellent heat-treated strength possibilities and its low density.

It might be of interest to diverge for a moment to discuss the question of density in titanium alloys. At first glance, one would think that the difference between the density of the 6Al-4V alloy (0.162 pounds per cubic inch) and the 4½Al-3Mo-1V (0.168 pounds per cubic inch) would not be significant. A calculation has been made for a particular airplane now in the design stage, showing that, other things being equal, substitution of the heavier alloy would add 80,000 pounds to the gross weight of the airplane. This heavy penalty is due to the operation of the well-known principle of growth in aircraft design. In this airplane the growth factor was unusually high—15. Because of the great importance of density, there are real advantages in basing alloy

development on aluminum and vanadium, rather than iron, chromium, or molybdenum. Another way of saying this is that use of the heavier alloying elements must be accompanied by advantages which will offset their added weight.

Practically all present applications of titanium are in pieces originally designed for steel, where substitution of titanium is deemed worth the cost because of the saving in weight through direct substitution. In this type of application advantage cannot be taken of the growth factor, as when a new design is under consideration, and the cost of the weight saving is likely to be very high in terms of dollars per pound. Because of this high cost per pound of weight saved, titanium is only used in airplanes which are substantially overweight, so that a few pounds saving in weight is worth a great many dollars. As all such applications of titanium confer marginal benefits, and it would be possible to substitute back to steel if necessary, the titanium industry is at present on a hand-to-mouth basis. Not until titanium is incorporated in major elements of a new design—so that the airplane will be fully committed to titanium—will the benefits of large-scale production of titanium be gained.

There is no airplane currently scheduled for production which uses substantial amounts of titanium in its original design. There are several reasons for this, but they all add up to one thing—the industry has not had enough experience with the newer strong titanium alloys to commit themselves beyond the point of no return. What is needed is (1) more design data and (2) more experience with fabrication and test of these alloys in structural elements.

It should be recognized that this inability to use a theoretically more desirable material results in a combination of two undesirable effects on our military equipment—it increases the weight of the equipment, and reduces the performance of which the equipment will be capable. Both of these effects are distinct military handicaps which can be minimized by adequate remedial measures. The specific causes of titanium difficulties are becoming more evident. If these causes could have been identified, and appropriate measures taken 2 or 3 years ago, titanium would today be much nearer to massive use, which would have been greatly to the benefit of our aircraft programs.

Another possible obstacle is the lack of specialized facilities for fabricating titanium mill products. All titanium mill products are now produced on equipment designed for handling another metal—generally steel. The requirements for titanium are not the same as for the other metals. Differences involve rolling temperatures, amount and effect of scaling in heating furnaces, rate of reduction or speed of extrusion, pickling and other descaling procedures, annealing temperatures and furnace atmospheres, and, in fact, practically every detail of mill-product-fabricating procedure. It can, therefore, only be considered a makeshift situation to intersperse orders for titanium and steel (or aluminum or brass), using the same equipment and the same labor force. The early use of higher strength alloys—which will increase the demands on mill equipment—makes this question of facilities particularly urgent.

The structure of the titanium industry is such that it will be a very slow process for the industry to establish, with its own resources alone, the type of integrated specialized titanium facilities which would seem to be desirable. There are four independent organizations offering complete lines of titanium rolled products, and a number of others experimenting with production of extrusions or other special forms. With total business of less than 2,000 tons annually, divided among this number of plants, it has not been feasible for any of the companies to

establish separate titanium facilities. If it is the desire of the Government to have titanium available for all useful military applications, it may be necessary to provide a certain amount of direct financial assistance toward procurement of production facilities.

At the present time the Materials Advisory Board is studying the adequacy of existing titanium fabricating facilities. It is hoped that the report, which should be available in about 6 weeks, will clarify the extent to which direct Government assistance in financing capital equipment would assist in meeting Defense Department titanium requirements.

There has been a notable increase in interest in titanium within the aircraft and engine industries during the past year. This appears to have been due to the combined influence of the following factors:

1. Clearing up of certain technical deficiencies in titanium alloys;
2. Completion of further engineering calculations showing the weight advantages to be gained from use of titanium in aircraft;
3. Wide dissemination of technical information through the titanium metallurgical laboratory;
4. Improvement in quality of mill products provided by the titanium industry; and
5. Favorable service experience with titanium.

In spite of the accelerated degree of acceptance of titanium, we are only on the threshold of development and use of this metal. The total research and testing expenditures on titanium from all sources is only a minute fraction of that which has been expended on steel or aluminum. As a consequence, only a bare beginning has been made in obtaining the voluminous data, not to mention service experience, which engineers must have before titanium can take its place as a routine material of construction.

REGULATION OF USE BY MOTOR CARRIERS OF CERTAIN MOTOR VEHICLES

The Senate resumed the consideration of the bill (S. 898) to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

Mr. JOHNSON of Texas. Mr. President, I wish to express my gratitude to the distinguished Senator from Florida [Mr. SMATHERS] and the distinguished Senator from Washington [Mr. MAGNUSON] for permitting the Senate to dispose of certain bills while a number of Senators were on the floor.

Mr. SMATHERS: Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. SMATHERS. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, all the committee amendments are agreed to en bloc.

The committee amendments agreed to en bloc are as follows:

On page 1, line 6, after the letter "(e)", to strike out "The" and insert "Subject to the provisions of subsection (f) hereof, the"; on page 2, line 16, after the word "regulations", to insert "as if they were the owners of such vehicles"; in line 19, after the word

"and", to strike out "equipment; but nothing" and insert "equipment and inspection thereof, which requirements may include but shall not be limited to promulgation of regulations requiring liability and cargo insurance covering all such equipment"; at the beginning of line 24, to insert "(f) Nothing"; on page 3, line 2, after the word "vehicle", to insert "with driver"; in line 3, after the word "such", to strike out "use." and insert "use—."

The next amendment of the committee was, after line 3, to insert:

"(1) where the motor vehicle so to be used is that of a farmer or of a cooperative association or a federation of cooperative associations, as specified in section 203 (b) (4a) or (5), or is that of a private carrier of property by motor vehicle as defined in section 203 (a) (17), and such motor vehicle is to be used by the motor carrier in a single movement or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based; or

"(2) where the motor vehicle so to be used is one which has completed a movement covered by section 203 (b) (6) and such motor vehicle is next to be used by the motor carrier in a loaded movement in any direction, and/or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based.

Mr. MAGNUSON. Mr. President, I offer an amendment which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Washington.

The LEGISLATIVE CLERK. On page 3, line 9, after the numerals "(17)", it is proposed to insert "and is used regularly in the transportation of processed or manufactured perishable commodities or products of the character referred to in section 203 (b) (6)."

Mr. MAGNUSON. Mr. President, before explaining the purpose of the amendment, I should like to comment briefly on the purpose of the proposed legislation. The subject has been very adequately covered by the distinguished junior Senator from Florida, but the bill has been a matter of much complexity and controversy since he has been a Member of the Senate, and the Senator from Ohio [Mr. BRICKER] and I can testify that that was true long before that. The subject has been a problem in our whole transportation system for a long time.

I do not know how many hours have been taken, or the number of conferences which the Members of the Senate Committee on Interstate and Foreign Commerce have had, not only with farm groups, but also with transportation and trucking groups, railroad organizations, and everyone else involved in the matter.

The junior Senator from Florida has done yeoman work on the bill. He has discussed the many facets of it. I could not help thinking, when consideration of this bill was interrupted in order to discuss the Colorado River bill, that the trip-leasing problem has more facets than the Colorado River has tributaries.

It is very difficult to prepare a bill which will satisfy completely the various segments of the transportation industry which are involved. Although the

United States has the finest transportation system in the world, we have a national transportation problem. Without our transportation system, the economy of the country could not exist. Without it, we could not adequately prepare our defenses.

The transportation industry has grown and has become healthy and strong mainly because there has been competent regulation of the transportation system.

The Interstate Commerce Commission is, I believe, the oldest of the regulatory commissions which have been established in the Government. It was created upon the theory that in the whole surface-transportation system, some rules of government would be required.

Our transportation system is in even more need of rules of the game today because it is constantly growing. I do not know how many Senators realize it, but the fact is that 1 out of every 18 persons who are employed in the United States work for some part of the transportation systems of the country.

Of the gross national product of close to \$400 billion, the transportation industry contributes more than \$70 billion to the national economy; and of the \$70 billion, \$67 billion is represented by the transportation agencies which are regulated by the Interstate Commerce Commission.

As the Senator from Florida has pointed out, the Interstate Commerce Commission has made many mistakes, but they have dealt with difficult, complex problems. Some of their rulings have not been consistent. I think the Senator from Florida stated the situation correctly when he said that farm groups have complained because some of the rulings of the Commission with respect to agricultural products have been inconsistent. That has caused much trouble.

In fairness to the Commission, though, and I think the Senator from Ohio will agree with me, much of the delay has been caused by the fact that the entire matter has been in controversy in Congress for a long time. I hope, as the Senator from Florida has said, that the bill will be passed. After many weeks of consultation, conference, and compromise, I think a much better bill has been drafted than was originally proposed. The present bill fits into our national transportation policy better than the original bill. I wish to compliment the Senator from Florida in that regard, because he actually had to umpire a tug of war between the different interests concerned, as did the Senator from Ohio and other members of the committee, including the distinguished junior Senator from Nevada [Mr. BIBLE], who is seated beside me.

Finally, we reached the point where there was only one major controversy. Everyone agreed that the farmer should be exempt, so that he could haul his own products. Everyone agreed that if a private trucker could get agricultural products and haul them to a destination, both he and the farmer should have the right to trip lease their trucks home.

But there was some disagreement as to how the farmer should go home. Fi-

nally, the committee came to an agreement that he at least ought to return in the general direction of his home. If he had taken a load of oranges from Florida to New York, he at least should not return to Florida by way of Oklahoma.

Thus the committee came to many agreements, but there was no definition of what a private carrier could do. The two words "private carrier" caused much controversy. I think the Senate ought to know how important this matter is to a regulated transportation system.

The trucking system of the United States now carries close to 62 percent of the gross tonnage of our national economy. This tonnage has grown rapidly and is growing faster. That is why it is necessary to have a national policy or system of regulation of the trucking industry, while still not injuring the farmer. No one wants to do that. The senior Senator from Washington has never, to his knowledge, ever stood on the floor of either the Senate or the House and voted against a bill which he thought was in the interest of the farmer who owned the trucks. Because there has been an exemption for farmers to haul their products in their own farm trucks, there has been a healthy growth in the production of farm products. Normally, the farm trucks are not for hire.

There has been a healthy growth of the trucking industry. Three million trucks are owned as farm trucks. Sometimes they are for hire. There are trucks used in the U-Drive industry. Normally they are subject only to the regulations and laws of the road.

One million, three hundred thousand trucks comprise the bulk of our common carrier system. Four million trucks comprise the big bulk of private carriers. These are the ones we are talking about.

I think the Senator from Florida made his position clear in the hearings, near the end of June, when he said:

Senator SMATHERS. Of course, that is all we are trying to do, is to make it possible for the genuine agricultural trucker to be able to trip lease coming home. * * *

So that he can get back and haul some more agriculture.

We are not interested in making this so that truckers who are not legitimate agricultural haulers can just take off and go around the country. We are not interested in letting those fellows run without regulation.

We think they should be regulated, and we think they deserve to be regulated; but we do not want to interfere with the movement of fruit and vegetables and things like that, as they are moved into the markets.

That is the problem I see.

I think that is a correct statement. The bill does not define private carriers. As the bill now stands, a private carrier can travel all over the country. One of the trucks can haul shoes from Connecticut to New Jersey, and then take a load of bed springs from New Jersey to Minneapolis, and then go to Dallas, Tex., with some other products, and then move into Los Angeles, and finally get back to Connecticut. I do not think anyone believes that should be allowed to happen.

What we are trying to do is give the farmer the best protection he can have, because his business is seasonal. He needs trip-leasing.

The amendment provides that somewhere along the line that the private carrier moves his trip must have some connection with agricultural products. Such products are not literally defined as the ICC defines them. It was pointed out, as an extraordinary case, that the ICC has said that when a chicken is plucked, it is a chicken no longer, or that when milk is processed into the form of cheese, it is not an agricultural product.

The language of my amendment is:

And is used regularly in the transportation of processed or manufactured perishable commodities or products of the character referred to in section 203 (b) (6).

That defines the products we are talking about in connection with private carriers.

I have discussed the amendment with the Senator from Florida and other Senators. While I do not speak for them, I think I can truthfully say that the amendment is necessary, and that the amendment is in line not only with the general philosophy of the bill, but makes maximum transportation facilities available to the farmers of the country at the lowest possible cost, without at the same time seriously injuring the common carriers, which are the backbone of the transportation system.

Most of us on the committee had been concerned with the private-carrier provision of the bill as it now stands. As it stands, it would authorize the private carriers to go around the country without ever having hauled a single agricultural product. The trip-leasing benefits of the bill are extended to these private carriers without their ever having contributed in any way to the objective the bill seeks to attain.

I pointed out previously that there are 4 million private trucks in the country.

The amendment provides that the trip-leasing benefits are available to a private carrier whose truck is used "regularly in the transportation of processed or manufactured perishable commodities of the character referred to in section 203 (b) (6)." Section 203 (b) (6) is the section that exempts agricultural products, including livestock, poultry, and fish. So the amendment would extend the benefits of trip leasing to private carriers who transport processed or manufactured perishable products from agricultural commodities, livestock, fish—I call this to the attention of the Senator from Maine—or poultry.

In other words, a private carrier who uses his equipment regularly to haul dressed poultry, dressed meat, milk, butter, fish, or similar perishables processed or manufactured from agricultural commodities could trip lease home in accordance with the provisions of the bill. I think that would give the farmer more transportation in the long run.

I believe my amendment to be a fair one. The bill does not resolve all the problems. It will still have to go to the House. The House will hold adequate hearings.

I have discussed the amendment with members of the committee. I am sure the Senate will be doing the fair thing if it sends the bill in its present shape to the House, after all the work has been done on it, containing the proposal I suggest.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SMITH of New Jersey. I should like to ask two questions. In my State there are many small farmers who raise their products and send them to processors. We have in my State the Seabrook Farms, an organization which processes frozen and canned goods. The Campbell Soup people are also in my State, and they can vegetables which are obtained from the farmers. They are big processors, who, for the most part, have their own trucks.

It is my understanding that the amendment of the Senator from Washington would mean that private carriers who haul agricultural commodities or manufactured perishable goods made from such exempt agricultural products on the original trip would be allowed to trip-lease home. Is that correct?

Mr. MAGNUSON. That is correct. I may add, further, that they would be encouraged to do so.

Mr. SMITH of New Jersey. There seems to be some confusion as to carrying of manufactured products, such as canned goods, on the original trip. If the amendment is adopted, will both carriers to whom I have made reference be allowed to trip lease home if they have carried canned goods, such as canned soups, on their original trip?

Mr. MAGNUSON. Canned goods would not necessarily be in the nature of perishables. If there is some confusion about that question, let us take the case of the Campbell Soup people in the Senator's own State. Let us assume the firm makes a haul to Chicago. It would have a right, under the general rules of the ICC, to lease its truck for the

trip back, in any event. It will still be able to do that.

I assume the interested parties in the Senator's State were interested in whether or not the amendment would in any way limit their right to do that.

Mr. SMITH of New Jersey. Yes.

Mr. MAGNUSON. It would not.

Mr. SMITH of New Jersey. I thank the Senator for his explanation and for his reply to my questions.

TREASURY-POST OFFICE APPROPRIATION BILL—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, will the Senator from Washington indulge me again?

Mr. MAGNUSON. I yield.

Mr. JOHNSON of Texas. There are present two persons on the floor who are interested in the Treasury-Post Office appropriation conference report. They are way ahead of schedule. They have done a wonderful job. If it can be taken up at this time, they can dispose of it very promptly. Since the Senator from Washington has been detained so long that he cannot leave anyway, I wonder if he would indulge me so that the conference report can be considered.

Mr. MAGNUSON. I have missed my last plane to Seattle for today, so I yield.

Mr. ROBERTSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9064) making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States, for the fiscal year ending June 30, 1957, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of March 27, 1956, pp. 5085-5086, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the committee action on the bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Mr. ROBERTSON. Mr. President, the conferees were unanimously in favor of the report. The report was signed by all the Senate conferees and all but two of the House conferees, those two being out of town. The items in disagreement were with respect to increased funds for operations and transportation.

The members of the Senate committee felt that the testimony presented to us in regard to the estimated volume of mail for the next fiscal year clearly indicated the necessity for the budget estimates; and the bill as passed by the Senate provided for the budget estimates, which were \$10,880,000 more than the House had allowed for operations, and \$10 million more than the House had allowed for transportation.

In conference, several proposals were made, back and forth. Finally we compromised by splitting the difference—50-50. So the conference report provides for operations \$5,440,000 more than was carried in the bill as passed by the House, and an equal amount less than was carried in the bill as passed by the Senate.

On amendment No. 3, for transportation, the conference report provides \$5 million more than was included in the bill as passed by the House and \$5 million less than was included in the bill as passed by the Senate.

We think the House was a little tight on the Post Office Department. The Department may have to have a supplemental estimate next year, to keep the mails moving. But most legislative matters involve compromise; and in that spirit we have submitted the conference report, and request its adoption.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The question is on agreeing to the report.

Mr. BRIDGES. Mr. President, I wish to concur in what the distinguished Senator from Virginia [Mr. ROBERTSON] has said. The conference report represents a meeting of the minds of the conferees, and is a compromise. But it seems to us to be a very thorough one.

I concur in the request of the Senator from Virginia that the conference report be adopted.

Mr. ROBERTSON. Mr. President, the chairman of the Treasury-Post Office Subcommittee of the Senate Committee on Appropriations wishes to acknowledge with thanks the fine assistance given him by the Senator from Illinois [Mr. DIRKSEN], both in the hearings and in marking up the bill and in conference.

We upheld the Senate's position until we decided that it would be better to make a compromise and get a report, and have a bill enacted into law.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

Mr. JOHNSON of Texas. Mr. President, I wish to congratulate the very able junior Senator from Virginia [Mr. ROBERTSON] and the very able senior Senator from New Hampshire [Mr. BRIDGES] for their promptness in handling this bill. Last year we thought they set a record when they made it possible for us to pass the Treasury-Post Office appropriation bill on May 23, and

for the President to sign the bill on June 1. But now we find they have moved the schedule up to March. I am not sure that they are entirely responsible for the speed and the thorough action; I rather suspect that the able senior Senator from Arizona [Mr. HAYDEN] has been expediting the work of the committee. In any event, regardless of who may be responsible, the leadership on both sides of the aisle are very grateful, I am sure, for the very prompt, very thorough, and very efficient way in which this first appropriation bill has been handled.

Mr. ROBERTSON. Mr. President, I acknowledge with grateful appreciation the nice tribute paid by the majority leader.

Let me say that if the chairman of the Appropriations Committee, the Senator from Arizona [Mr. HAYDEN], and the chairman of the subcommittee could control debate on the floor of the Senate as well as we have been able to do in our committee, the Senate would end its session by the middle of June. [Laughter.]

Mr. KNOWLAND. Mr. President, I am sure the minority wish to join with the majority leadership in expressing appreciation not only to the distinguished chairman of the Treasury-Post Office Subcommittee of the Appropriations Committee, the junior Senator from Virginia [Mr. ROBERTSON], but also to the ranking members on both the minority and majority sides of the committee, and particularly to the distinguished senior Senator from Arizona [Mr. HAYDEN], the very able chairman of the full Appropriations Committee, who, I am sure, has had the cooperation of the Senator from New Hampshire [Mr. BRIDGES], the ranking minority member, and all other members of the committee in expediting the taking of action on the bill.

Mr. ROBERTSON. I thank the distinguished minority leader.

Mr. President, as has already been indicated, we could not have accomplished this without the full cooperation of the minority members of the committee.

Mr. JOHNSON of Texas. Mr. President, sometimes visitors to the Capitol see legislative measures passed by the Senate with a minimum of controversy, and do not understand how a bill can be passed without having a knockdown and dragout fight. Let me say that one of the secrets in that connection was revealed to me only yesterday by the distinguished chairman of the Appropriations Committee, the senior Senator from Arizona [Mr. HAYDEN]. I had not been assigned to his committee for more than minutes—literally minutes—under the order of the Senate, entered a few days ago, assigning me to membership on that committee, before the Senator from Arizona came to me and gave me a list of the subcommittees and their membership, and suggested that I take the list home with me and study it, and become acquainted with the organization of the committee. I did so.

Then, on yesterday, I had no more than entered the committee room when

the Senator from Arizona came to me, and called a clerk to join us, and said to me, "Here is a list of the schedule of subcommittee meetings, and here is one that I want you to begin hearings with."

I asked, "When?"

He replied, "May 7."

I asked the Senator from Arizona, "Are you not planning a little far ahead? Usually Senator KNOWLAND and I plan the work for the Senate Chamber only 2 or 3 days ahead."

The Senator from Arizona replied, "Well, that is the schedule; and you are to start the hearing on May 7."

So I want to pay a great tribute to this distinguished son of Arizona, who has done so much to contribute to the efficiency of the work of the Senate. I wish to say that I very greatly appreciate all of his extremely fine work.

Mr. HAYDEN. Mr. President, I thank all the Senators—and particularly for not calling me a slave driver. [Laughter.]

Mr. DIRKSEN. Mr. President, the majority leader did not quite tell the whole story. The hearings may start on May 7; but the rest of the story is that when the chairman of the Appropriations Committee says hearings will begin at 10 o'clock, they begin at 10 o'clock. I think a person could deliver a rather pointed lecture on punctuality to the United States Senate and to a great many members of the committees. Frankly, time after time three-quarters of an hour or half an hour is wasted at the beginning of a committee session. If a committee is to meet at 10 o'clock it often takes until 11 o'clock to obtain a quorum; and, of course, in the meantime the members who are present cannot pursue their usual duties.

I wish to say, to the everlasting credit of the Senator from Arizona [Mr. HAYDEN] that at 10 o'clock a. m., when the hearings begin, he is there, and the hearings get under way then, regardless of whether any other member is present at that time.

Mr. President, once we hew to that line, we shall accomplish a great deal more in handling the business of the Senate.

Mr. JOHNSON of Texas. Mr. President, I appreciate the admonition of the Senator from Illinois; and I am sure that in connection with matters in which the majority leader is interested, he will be present promptly at 10 o'clock.

Mr. FREAR. Mr. President, I have been listening most intently, in anticipation that some Senator would move that the Committee on Agriculture and Forestry be made a subcommittee of the Committee on Appropriations. [Laughter.]

REGULATION OF USE BY MOTOR CARRIERS OF CERTAIN MOTOR VEHICLES

The Senate resumed the consideration of the bill (S. 898) to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles

not owned by them, in the furnishing of transportation of property.

Mr. MAGNUSON obtained the floor.

Mr. SMATHERS. Mr. President, will the Senator from Washington yield to me?

Mr. MAGNUSON. Well, Mr. President, I am willing to yield again. Of course, some time ago I had the floor; and since then the Senate has passed approximately six bills or other measures. I am willing to yield, to have the Senate pass six more, if that is desired.

Mr. SMATHERS. Not only has the Senate done what the Senator has mentioned, Mr. President, but the Senate has appropriated almost \$100 million, by means of the conference report on the appropriation bill which was acted upon a few minutes ago.

Mr. FREAR. Mr. President, will the Senator from Washington yield for a question?

The PRESIDING OFFICER (Mr. THURMOND in the chair). Does the Senator from Washington yield to the Senator from Delaware?

Mr. MAGNUSON. I yield.

Mr. FREAR. What is a public carrier?

Mr. MAGNUSON. A public carrier is an authorized carrier, which includes both common and contract carriers operating in interstate commerce.

Mr. FREAR. What is a private carrier?

Mr. MAGNUSON. A private carrier is one carrying its own goods, and is not subject to economic regulation, and need not file rates.

Let me inquire whether we are indulging in quizzes.

Mr. FREAR. I merely wish to ask some questions, and to obtain answers to them.

What is 203 (b) (6) to which the Senator from Washington refers in his amendment?

Mr. MAGNUSON. 203 (b) (6) is part of the Interstate Commerce Act which interprets the term agricultural commodities; in other words, it states what they are.

Mr. FREAR. Yes. Does a private carrier pay the transportation tax?

Mr. MAGNUSON. Yes; a private carrier would pay the transportation tax in the States in which such carrier operates.

Mr. FREAR. I mean the transportation tax levied by the Government on the transportation of property and the transportation of people. It is not a sales tax; it is a transportation tax.

Mr. MAGNUSON. I know the carriers pay the sales tax in the various States. Perhaps the Senator from Florida can enlarge upon that point.

Mr. SMATHERS. Today, a private carrier is, of course, one which carries products or property it owns; and the only tax it is required to pay is the regular State tax, provided for by the State regulatory body.

Mr. FREAR. What is that?

Mr. SMATHERS. It differs from State to State.

Mr. FREAR. That is the license for the vehicle.

Mr. SMATHERS. Yes.

Mr. MAGNUSON. That is all he pays.

Mr. FREAR. What is the rate of transportation tax on a public carrier?

Mr. SMATHERS. I can tell the Senator from Delaware that a certificated carrier must pay 3 percent of the amount paid for transportation.

Mr. FREAR. I think that is entirely correct. The private carrier does not have to pay that 3 percent.

Mr. SMATHERS. That is correct.

Mr. FREAR. What would be the volume of tax paid into the Federal Treasury if all private carriers were assessed a 3 percent tax, which public carriers must pay?

Mr. SMATHERS. I do not know, but it would be considerably more. There are 4 million private carriers, as the Senator from Washington has just pointed out.

Mr. FREAR. Then by the terms of this bill, and by section 203 (b) (6) of the Interstate Commerce Act, are we not giving a tax exempt privilege to a private carrier, while we are assessing public carriers?

Mr. SMATHERS. No, we are not. A private carrier is not presumed to be in the business of common carriage. He is supposed to be carrying only his own goods. What the Senator is saying is that if we do not amend the bill as the Senator from Washington has suggested, in many respects we shall be permitting a private carrier, in effect, to operate as a common carrier, and to that extent, probably, avoid paying the 3 percent tax.

Mr. FREAR. Is it not true that many people who have been shipping by public carrier have installed their own systems of transportation, to avoid the 3 percent transportation tax?

Mr. SMATHERS. We are leaving out one very important step. For example, when the private carrier carries his own monkey wrenches from Chicago to Delaware, in order to trip lease his truck back home, he must go to a certificated carrier and enter into a lease with such carrier. The certificated carrier pays all the taxes necessary, in order to bring that truck through.

Mr. FREAR. Is the Senator sure about that?

Mr. SMATHERS. I am sure.

Mr. MAGNUSON. That is the law today, and the bill does not change it.

Mr. FREAR. I am sure that both the Senator from Florida and the Senator from Washington are familiar with some of the large private carriers of this country. They went into business to haul their own products, and they are hauling their own products; but if they were not in that business, and had to use public transportation, they would be paying a 3 percent tax into the Federal Treasury, would they not?

Mr. SMATHERS. That is correct.

Mr. FREAR. Then are we not widening the field of exemption by continuing to increase the number of private transporters?

Mr. MAGNUSON. We are leaving it as it is.

Mr. SMATHERS. Let me put it this way: For example, Sears, Roebuck & Co. is a private carrier, carrying only those things which it manufactures or sells. When it takes its trucks from Washington, D. C., to Chicago and unloads them at its store, if it wishes to bring any truck back loaded, it must either buy

something and take title to it, in which event it could bring it back without paying the common carrier tax; or if it wished to bring back something else, it would have to go to a certificated carrier and say, "Here is our truck, and here is our driver. We will lease this truck to you under your certificate." Perhaps, in that case, the truck would bring back monkey wrenches. In such a case the certificated carrier would pay the tax.

Mr. MAGNUSON. Then, of course, he would come under the same regulation as a common carrier.

Mr. FREAR. In such a case would he then operate under authority of the Interstate Commerce Commission?

Mr. MAGNUSON. Certainly, because he leases to a common carrier.

Mr. FREAR. Then he would be subject to the rates imposed by the Interstate Commerce Commission, and also subject to the transportation tax.

Mr. SMATHERS. That is correct.

Mr. FREAR. Let us carry the illustration a little further. Suppose the same truck which the Senator has used in his illustration went to Chicago, and then went outside Chicago 20 miles and picked up a truckload of pumpkins from the farmer or producer, and brought them back to Washington.

Mr. SMATHERS. He can always carry agricultural products without being subject to ICC regulation. Pumpkins in the raw state are obviously agricultural products, so he does not need any certificate from the ICC to carry them.

Mr. MAGNUSON. Or a pumpkin pie, under my amendment.

Mr. SMATHERS. Or a pumpkin pie, if it is perishable.

Mr. MAGNUSON. It is perishable.

Mr. SMATHERS. I presume a pumpkin pie would be considered perishable.

Mr. FREAR. Anything of a canned nature which is perishable could also be included in that category; could it not?

Mr. SMATHERS. That is correct under the amendment offered by the Senator from Washington.

Mr. FREAR. The bill as it stands, without the amendment of the Senator from Washington, does not include that feature; does it?

Mr. SMATHERS. The way the bill is now written, before consideration of the amendment of the Senator from Washington, it provides that all private carriers may trip-lease by one or a series of leases in the general direction of home base. To do that would, in many respects, as the Senator from Washington and the Senator from Delaware have pointed out, authorize certain private carriers to trip lease who have nothing whatsoever to do with agriculture, and never intend to have anything to do with agriculture, in effect to go into the trucking business, because they could trip lease to whomever they wished, and wherever they wished, as long as the movement is in the general direction of home, without being subject to ICC regulation.

Mr. FREAR. As private carriers?

Mr. SMATHERS. As private carriers.

Mr. FREAR. Without paying the transportation tax?

Mr. SMATHERS. They themselves would not pay the transportation tax,

but I will say to the Senator from Delaware that when they trip lease, the man to whom they lease must pay the transportation tax.

Mr. FREAR. Under all circumstances?

Mr. SMATHERS. That is correct; under all conditions.

Mr. FREAR. I noticed that the Senator from Washington was very explicit in his enumeration of the products covered by his amendment. He mentioned fish. I should like to inquire if oysters are included in that category.

Mr. MAGNUSON. Yes.

Mr. FREAR. Canned or fresh?

Mr. MAGNUSON. They would have to be fresh, or perishable.

Mr. FREAR. How about canned oysters?

Mr. MAGNUSON. Canned oysters would not be considered perishable. Canned goods are not touched by this amendment at all. The right to haul canned goods by private carrier or authorized carrier remains as it is. A private carrier may still trip-lease, if it is for longer than a 30-day period, after transporting canned goods, in any amount.

Mr. FREAR. What advantage is the Senator's amendment?

Mr. MAGNUSON. The advantage of my amendment is that a private carrier must haul agricultural products or processed agricultural perishable products, in order to trip-lease back. My amendment would affect the so-called itinerant truckers who run around the country. If they are to run around the country under an agricultural exemption, I say to them, "Some time during your trip you had better haul some agricultural products." I think that would help the farmer.

Mr. FREAR. In effect, the Senator's amendment would give greater discretion, or greater control to the Interstate Commerce Commission than would the bill as it stands.

Mr. MAGNUSON. No. I think we are not proposing to give the Interstate Commerce Commission more control.

Mr. FREAR. But the Senator is proposing to place more vehicles under its control.

Mr. MAGNUSON. No. What we are doing in one respect, definitely, is defining the exemption given to the haulers of agricultural products, which has been a source of confusion in many cases before the Interstate Commerce Commission. There has not, in many instances, been a clear-cut definition of the term "agricultural products." We are defining that exemption once and for all. It will include, as far as private carriers are concerned, perishable processed agricultural products.

Mr. SMATHERS. Mr. President, will the Senator yield for one observation?

Mr. MAGNUSON. I yield.

Mr. SMATHERS. Let me say to the Senator from Delaware that there are 4 million private carriers. What the Senator from Washington is saying is, "We will not permit all those 4 million private carriers to trip lease. If they are going to be in that business, they should become common carriers and obtain certificates."

Out in the Midwest, butter and other processed products are no longer considered agricultural products. When meat has been cut up and the skin has been taken off it, and the carcass has been disjointed, the resulting product is no longer considered a straight agricultural product. Milk which has been pasteurized is no longer considered an agricultural product. Under those conditions, wholesalers and those engaged in the business of regularly carrying that type of processed agricultural product to the market in Chicago, Indianapolis, or elsewhere would be able, under the amendment of the Senator from Washington, to trip lease in order to get home, so that the cost of carrying the product to market would not be unduly increased. Unless they are regular carriers of processed or manufactured agricultural commodities, perishable in nature, they will not have the privilege of trip leasing.

Mr. FREAR. Under the present law, as I understand, they do not have the privilege of trip leasing, but must return empty. Is that correct?

Mr. SMATHERS. The practice of trip leasing has been permitted to everybody on everything. During the war when there was a shortage of trucks, and to meet the transportation problem, the ICC permitted the practice to grow. The war is over. The common carriers come in and say, "We must get a certificate from you in Washington and spend weeks and a great deal of money in order to get it. Then you finally give us a certificate under which we are authorized to carry one product." For example, they could be certificated to carry nothing but monkey wrenches. After they get that certificate they say, "Why do you allow a private carrier, like Sears, Roebuck, to transport the one thing that you let us carry?"

The ICC, under its order, would stop all of it. That order would affect the farmers, as well. The farmers rose up in righteous indignation and said to us that you have to meet that farm problem. We thereupon began to work in trying to solve the whole problem. I might say that the ICC said to us, "If you people want to set a policy, we would like to have you go ahead and do it. Otherwise, we will have to stop all this trip leasing."

That is what we are trying to do. We are trying to keep the ICC from eliminating trip leasing, so far as farmers are concerned, so far as farm cooperatives are concerned, and so far as businesses which regularly carry agricultural commodities are concerned.

Then with the amendment offered by the Senator from Washington [Mr. MAGNUSON], we are also going to permit trip leasing by a private carrier when the private carrier is regularly employed in carrying perishable processed or manufactured agricultural commodities. We are therefore setting up specific rules applicable to private carriers with respect to trip leasing.

Mr. FREAR. According to the statement just made by the Senator from Florida, if the bill were not enacted, the ICC would not permit any trip leasing, including the trip leasing of trucks

carrying agricultural commodities. Is that correct?

Mr. SMATHERS. The ICC issued an order about 5 years ago that would not permit anyone to trip lease because the regulation required that leases of trucks must be for a period of 30 days or longer. That was an effective way of eliminating trip leasing, because no farm group wanted to trip lease its truck for 30 days or longer. They want to have that truck return home immediately.

The Senator from Washington, the Senator from Ohio [Mr. BRICKER], and other Senators have been discussing the trip-lease regulations with the ICC. At our request the ICC has held up its order, MC-43, until Congress could set some guideposts and establish a policy on the subject.

Mr. FREAR. Is that the situation at the present time?

Mr. SMATHERS. The Senator is correct.

Mr. FREAR. The bill proposes to give definitions as to what is permissible under the trip-leasing practice. Is that correct?

Mr. SMATHERS. We would say who can do it and who cannot do it.

Mr. FREAR. According to the Senator from Washington, he is improving on the bill by adding an amendment which will permit trip leasing on perishable canned products if it is the regular commodity carried by that truck. Is that correct?

Mr. SMATHERS. Yes. Under his amendment a truck could trip lease on the return trip. It would be able to carry anything it wants to carry as long as it was leased to an authorized carrier.

Mr. MAGNUSON. And if it goes in the general direction of the home base.

Mr. SMATHERS. That is correct.

Mr. FREAR. I thank the Senator for giving me a better understanding of the bill. I do wish to say to the Senator from Florida, who is also a member of the Committee on Finance that he is cognizant of the fact, I am sure, that there is a shortage in the till of the Federal Treasury, and that we would not help to reduce that shortage by permitting private carriers to escape the payment of the 3 percent transportation tax.

Mr. SMATHERS. I may say to the Senator from Delaware that the proposal of the Senator from Washington would probably do a great deal to make a private carrier either lease his truck legitimately to a certificated carrier or to move his goods himself. The result would be that there probably would be more tax money coming into the Treasury.

Mr. MORSE. Mr. President, I have had a considerable amount of correspondence addressed to me by various organizations, individuals, and groups in my State on S. 898. I have also received correspondence from groups outside my State.

I wish to commend the Senator from Florida and the other members of the committee for the very clear record they have made today in support of S. 898. It is very interesting that the only correspondence I have had on the subject is in favor of the bill, and that no cor-

respondence has come to me in opposition to the bill. I have studied the correspondence and the committee report and the various briefs that have been filed in connection with S. 898, and I have come to the conclusion that it is legislation which is in the public interest. Therefore I shall vote for it this afternoon, including the amendment offered by the Senator from Washington.

I ask unanimous consent to have published at this point in the RECORD, as a part of my remarks, the correspondence that I have received on the subject, on the basis of which and the committee report I have formed my final conclusion to support the legislation.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

BLUE LAKE PACKERS, INC.,
Salem, Oreg., March 5, 1956.

Senator WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: It is our understanding that the trip-leasing bill S. 898, is scheduled to come before the Senate in the near future for debate and action. We urge your support of this bill in the form in which it has been reported to the Senate by the Senate Interstate and Foreign Commerce Committee, without further restrictive amendment, for we sincerely believe that it preserves the economical and efficient practice of long-standing of leasing trucks for return hauls for it further preserves the importance from the standpoint of agriculture for the right of private carriers to trip lease.

In these days of increasingly keen competition and the price squeeze on the products of the farm, the maintenance and utilization of every possible economy is increasingly necessary.

Thanks in advance for your support of this bill which we sincerely feel is necessary to the agricultural economy of the State of Oregon.

Very truly yours,

N. W. MERRILL,
Executive Vice President and
General Manager.

THE OREGON WHEAT GROWERS LEAGUE,
Pendleton, Oreg., March 8, 1956.
The Honorable WAYNE MORSE,
United States Senate,
Washington, D. C.

MY DEAR SENATOR MORSE: The Interstate Commerce Commission has taken action in the past to discontinue the short-term leasing of independently owned trucks. Trip leasing, as you are well aware, is necessary for the agricultural exemption clause of the Interstate Commerce Act to have any meaning.

In the last session of Congress, H. R. 3203 was passed by the House of Representatives to prevent the ICC from nullifying trip leasing. A bill was introduced into the Senate, S. 898, to accomplish the same purpose as the House bill but did not reach the Senate floor prior to adjournment. Unless this bill is passed during the current session, the ICC has ruled that trip leasing of trucks by private carriers must cease on June 1, 1956.

The major purpose of the bill is to terminate the authority of the Commission to prohibit trip leasing or short-term leases of trucks. Trip leasing is the long-established practice whereby a hauler of farm products, having reached market, obtains a return haul by leasing his truck and his services to a common carrier.

Continuation of this practice is essential to efficient marketing and economical trans-

portation of farm products. Unless trucks hauling farm products are permitted to obtain revenue on the return haul by trip leasing they must either (1) increase transportation rates for hauling farm products, or (2) go out of business because they cannot survive the competition of carriers that are permitted to obtain two-way revenue.

The existence of the independent truck operator, who can move from any farm shipping area to any market without back-hauling and transfer of lading, and who can be mobilized from surrounding areas to move seasonal commodities, is essential if farm products are to be marketed to best advantage.

Unless the right to trip-lease is maintained, the agricultural exemption of the Interstate Commerce Act becomes meaningless.

The enactment of S. 898 is supported by all agricultural interests and organizations.

We request your support for this legislation which is important to all agricultural producers in the State of Oregon.

Sincerely yours,

RICHARD K. BAUM,
Executive Secretary.

NORTHWEST NUT GROWERS,
Portland, Oreg., March 8, 1956.
Re trip-leasing bill, S. 898

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR WAYNE: For many months we have been observing the progress and the pro and con arguments which have taken place in the Senate concerning the above-captioned bill. I know you are fully aware of the contents of this legislation, also the reasons for it. So there is no particular use for me to go over those things again.

Basically, of course, this bill is designed to preserve the efficient and economical practice of leasing trucks for return hauls. Since there are great numbers of private carrier trucks which transport agricultural products in processed form, it is most important from the standpoint of agriculture that the right of private carriers to trip-lease shall be preserved.

The form in which this bill has been reported to the Senate by the Senate Interstate and Foreign Commerce Committee is the form in which we feel it should be passed without further restrictive amendments.

In light of the situation which is presently engulfing the farmers' economy, I feel this is one way in which Congress can help us partially solve our problems. The high cost of freight is ever becoming more serious. High freight cost from the Pacific Northwest to eastern markets is even more of a consideration than it is in some other parts of the country. There is scarcely any need to observe that the recently granted 6-percent increase to railroads by ICC was anything but welcome news to the farmers.

With these increases granted to the railroads, the truck people will be fully justified in asking for a similar adjustment and, of course, they will get it.

Thank you for your good attention.

Sincerely yours,

JOHN E. TRUNK,
General Manager.

YAKIMA, WASH., March 12, 1956.
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Fruit industry urges you vote for S. 898. Continuation of trip-leasing privileges as therein authorized will help provide adequate supply agricultural exempt trucks whose flexibility of route and service enhances distribution our fruits. Without trip leasing we would face serious transpor-

tation shortage as outlined in my statement forwarded with my letter of June 13.

ERNEST FALK,
Northwest Horticultural Council.

HOOD RIVER TRAFFIC ASSOCIATION,
Hood River, Oreg., March 13, 1956.
Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR: We are informed that finally the Senate bill 898 is up for vote before the Senate and we trust that you will vote favorably for the passage of this bill as indicated in our previous correspondence. We have advised you of our interest in this bill from time to time and the reasons why we are in favor of this bill. You also have indicated your intention to support our position if and when the bill did finally come to the Senate for a vote.

It is our understanding that the bill as approved by the committee on Interstate and Foreign Commerce is the one that will come to the Senate for a vote and the bill as recommended by the committee is the one that the agricultural interests are in favor of. If, by chance, amendments are added to the bill that changes the intent and purpose of the bill as recommended by the committee, we would want to be informed of such action without delay.

As you realize, this bill has been before the Congress for 3 years and has had difficulty in being passed although the House did take favorable action on it a year ago, and, due to delaying tactics, it never came before the Senate for vote at the last session. However, it was progressed through committee to the point where it could be considered at this session.

Now that it has reached the Senate, we trust that you will continue to support the bill and there will be sufficient support in the Senate to pass the bill.

Yours very truly,

R. G. SCEARCE,
Secretary-Manager.

PENDLETON GRAIN GROWERS, INC.,
Pendleton, Oreg., March 12, 1956.
Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: It is our understanding that the so-called trip-leasing bill, Senate bill 898, should come before the Senate in the near future for debate and action.

This is an effective way for the farmers of the Nation to obtain some actual competition in transportation of farm products. We very definitely want to see the trip-leasing provision maintained for all types of carriers, particularly private carriers. Therefore, when this bill comes on the Senate floor, we hope that you will support it in the form in which it has been reported to the Senate by the Senate Interstate and Foreign Commerce Committee without any further restrictive amendments being put onto the bill.

We certainly appreciate your interest in those problems which affect the interests of our farm people. Best personal regards.

Sincerely,

JAMES HILL, Jr.,
Manager.

OREGON FARM BUREAU FEDERATION,
Salem, Oreg., February 23, 1956.
The Honorable WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: The Oregon Farm Bureau Federation, for the past several years, has been particularly interested in the continuation of the practice of trip leasing—or the short-term leases of trucks.

Oregon agriculture is particularly concerned about the problem because of the rapid growth of this practice in the last few years—especially as it relates to haulers

taking Oregon farm products into the State of California, and then obtaining a return haul by being able to lease the truck to a common carrier.

The farmers of Oregon are depending upon a continuation of this practice in order that orderly marketing functions may be continued and competition be offered in the transportation field.

The independent operators perform a very valuable service to the farmers of Oregon. Many of them live in farming communities, and are willing to fit their operations to the special needs of the farmer. They are willing to load on farms, help load, and to put up with loading inconveniences. They are willing to move from farm to farm so as to most effectively reach all market outlets to the best advantage of the farmer. They are willing and able to provide an individual service on the farms, on the road, or at the marketplace.

We, therefore, view with concern any regulation which would make it more difficult for independent operators to continue this service to agriculture.

The Senate will undoubtedly consider S. 898 (trip-lease bill) which gives the ICC power to regulate the leasing practices of common and contract carriers. The bill also provides that the ICC shall not have the power to regulate the duration of such short-term lease where the motor vehicle has a previous history of hauling agricultural products.

On behalf of the Oregon Farm Bureau Federation we respectfully urge your support of S. 898.

Yours truly,

GEORGE W. DEWEY,
Executive Secretary.

THOMAS C. DYER, INC.,

Spokane, Wash., March 15, 1956.

Re Senate bill 898.

The Honorable WAYNE MORSE,
Senate Office Building,

Washington, D. C.

DEAR SENATOR MORSE: As vice president and manager of Thomas C. Dyer, Inc., I am writing to you asking your support in favor of the passage of Senate bill 898.

Our only source of revenue is the transportation of farm machinery from the points of manufacture to the farm machinery dealers in Oregon and surrounding States. As you can readily understand, our volume of traffic fluctuates greatly at different times of the year. It is not economical for us, a reasonably small operation, to own equipment to be able to meet these peak demands of the season for the service. It is essential that we lease trucks and trailers from both private individuals and other trucklines. Many times this leased equipment is available and/or needed for only one trip, particularly during emergencies.

The Interstate Commerce Commission proposes two leasing rules which would prevent the lease of equipment for a period of less than 30 days and would also prevent a payment of rental based upon the revenue derived from the use of the equipment. Both of these leasing rules would make it impossible for the haulers of farm machinery to operate on a sound, economic basis. Most of the drivers for Thomas C. Dyer, Inc., own their own equipment. Under present conditions it is possible for them to use their equipment for other purposes when it is not needed by this firm. The extreme peaks and valleys of the volume of traffic make imperative the lease of the equipment for whatever period is necessary and payment of rental based upon the revenue derived from the use of the equipment.

Senate bill 898 would curb the power of the Interstate Commerce Commission to prescribe the length of the lease period and determine the manner of rental compensation.

The Interstate Commerce Commission has exempted carriers of automobiles from the subject of these rules, but has refused to give the farm machinery haulers the same consideration. There is absolutely no difference in the mode of operation and the need for exemption between the automobile carriers and the farm machinery carriers.

The carriers of farm machinery sincerely feel that they are being discriminated against, and for that reason they urgently desire the passage of Senate bill 898.

Yours very truly,

DAVID C. COOK.

THE NATIONAL GRANGE,

Washington, D. C., March 21, 1956.

The Honorable WAYNE MORSE,
Senate Office Building,

Washington, D. C.

DEAR SENATOR MORSE: We are informed that the trip-leasing bill (S. 898) will be on the Senate floor for vote in the next few days. We urge you to vote for the bill as it was voted out by the Senate Interstate and Foreign Commerce Committee. We urge you to oppose any amendment to further restrict the practice of trip leasing such as to prohibit private truckers from trip leasing.

Trip leasing promotes efficiency and good service in trucking. This practice, therefore, is of vital concern to farmers. It permits the agricultural truckers and other truckers to get a return load by leasing the equipment and driver to common and contract carriers, instead of returning empty. We do not ask that exempt agricultural truckers and private truckers be allowed to secure a return load on their own account by direct negotiation with shippers, but we do request that they be permitted to continue the time-honored practice of leasing truck and driver to common and contract carriers for a load under the authorized carriers' schedule of rates and safety requirements.

In many cases it is more economical for common and contract carriers to trip lease a truck than to send their own truck. They, themselves, might not have a return load. At times, the common or contract carriers do not have enough equipment of their own, and, therefore, without the privilege of trip leasing they would not be able to meet all the transportation demands, or they would have to maintain an idle reserve of equipment in order to take care of peak periods. The trip-leasing practice, in effect, provides a fluid or mobile reserve of trucks and drivers to meet peak and unusual demands.

Since the day the Interstate Commerce Commission issued the order banning trip leasing the Commission has made many changes or exceptions in it. However, the amended order still prohibits private truckers, such as those firms processing agricultural products and operating their own fleet, from trip leasing their trucks to common and contract carriers to get a return load. For example: a meat packer in Chicago who sends his own meat products to Florida in his own refrigerated truck would, under the pending ICC trip-leasing order, be prohibited from trip leasing it to a common or contract carrier for a return load of frozen citrus concentrates. We in agriculture are concerned with the transportation charges all the way between farmers and consumers and not only between farmers and the nearest rail or truck shipping point. Senate bill 898, if passed, would preserve the time-honored practice of trip leasing.

The safety argument against trip leasing is largely irrelevant. In the first place, a common or contract carrier that leases a truck is as responsible for compliance with safety rules on this truck as he is on his own trucks. Secondly, the States have the primary responsibility for enforcement of safety. In the third place, there is evidence to indicate that trip-leased trucks are as safe as employee-operated, company-owned equip-

ment, or even safer. That is why the examiner in the further hearing on trip leasing concluded that the record afforded no definite answer on the question of safety.

Again, we urge you to vote for Senate bill 898 without crippling amendments.

Respectfully yours,

LLOYD C. HALVORSON,
Economist.

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D. C., March 22, 1956.
Hon. WAYNE L. MORSE,
Senate Office Building,

Washington, D. C.

DEAR SENATOR MORSE: We respectfully and earnestly ask that you vote for the trip-leasing bill, Senate bill 898. Your support of the proposed legislation is urgently needed to assure farmers that in the transportation of agricultural commodities to market by truck facilities will be available at all times at reasonable costs. The long-established practice of trip leasing has made possible efficient marketing and economical transportation of farm products. It must be continued.

This week the Senate passed the farm bill. Honorable and sincere men differ on the benefits to agriculture to be obtained from its various provisions. The farm organizations have opposing positions. However, there is no disagreement whatever among the national agricultural groups regarding the benefits agriculture will derive from the provisions of Senate bill 898.

The National Milk Producers Federation has supported and continues its support of the proposed legislation.

Your favorable vote for Senate bill 898 as reported by the Senate Committee on Interstate and Foreign Commerce will be very much appreciated.

Sincerely,

E. M. NORTON,
Secretary.

VEGETABLE GROWERS
ASSOCIATION OF AMERICA,
March 20, 1956.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: As the representative of the Vegetable Growers Association of America, the only national organization of vegetable growers, who depend heavily upon truck transportation and particularly trip-leased vehicles, I strongly urge your support of Senate bill 898 as favorably reported by the Senate Interstate and Foreign Commerce Committee.

The association adopted the following resolution at its 47th annual convention held here in Washington, December 1955:

"We urge the Congress to clarify its intent to the ICC to maintain previously granted highway exemptions of agricultural commodities."

This association is widely known for its policy of refusing the use of Government subsidies, which are a direct cost to the taxpayer. This policy reflects the traditional American right, the opportunity to produce and market their commodity as the law of supply and demand dictates. Therefore, this association believes it is not unreasonable to request your support of S. 898, which will not handicap their efforts or further reduce their already depressed income.

To deny the long-standing and satisfactory practice of trip leasing will only add to the cost of vegetables to consumers and reduce the return to the vegetable grower. It will deny the consumer of fresh produce in many instances because of a lack of facilities to handle rapidly perishable vegetables. To firmly establish the practice of trip leasing will be an outstanding and appreciated contribution by the Congress to American agri-

culture and particularly the Nation's vegetable growers.

Very truly yours,

JOSEPH S. SHELLY,
Secretary.

INTERNATIONAL APPLE
ASSOCIATION, INC.,

Washington, D. C., March 12, 1956.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: There is at present pending before your honorable body for consideration S. 898 which would, in effect, permit continuation of the long-established practice of trip-leasing trucks by restraining the Interstate Commerce Commission from regulating the duration of such leases.

The members of International Apple Association are vitally concerned in this matter, and urge your favorable consideration of this legislation when it is brought to a vote. This association has actively advocated passage of similar legislation when it was brought up in previous sessions of Congress, and has opposed the Interstate Commerce Commission's endeavors to impose a minimum lease of 30 days by regulations issued under MC-43, lease and interchange of motor vehicles.

While these regulations as presently proposed to be put into effect by Interstate Commerce Commission are purported to take care of trip leasing by exempt agricultural haulers, it is the belief of IAA members that only by legislative action can this be assured since the Commission has issued more than 75 orders in connection with these regulations since they were first issued on May 8, 1951. There is no reason to presume that they will not be further amended, especially if the threat of imminent legislative action is removed.

This is a very real problem in many producing areas, and one not to be shrugged off lightly. I earnestly urge your consideration of this matter and your favorable action on this bill, S. 898.

Sincerely yours,

FRED W. BURROWS,
Executive Vice President.

AMERICAN FARM
BUREAU FEDERATION,

Washington, D. C., March 14, 1956.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: In the next few days the Senate will consider S. 898, the trip-lease bill, by Senator SMATHERS and MONRONEY.

The American Farm Bureau Federation respectfully recommends your support of this measure in the form reported by the Senate Committee on Interstate and Foreign Commerce. Its enactment is, in our opinion, essential to continued efficient marketing and economical transportation of farm products.

We are enclosing a copy of a statement in which we have endeavored to state concisely the purpose of the bill.

Very sincerely,

CHARLES B. SHUMAN,
President.

S. 898, THE TRIP-LEASE BILL

This bill would provide specific statutory authority to the Interstate Commerce Commission to regulate the truck leasing practices of contract and common carriers by motor vehicles; but would provide that the Commission shall not have authority to regulate the duration of any such lease where the motor vehicle leased is one previously used for the hauling of farm products.

The major purpose of the bill is to terminate the authority of the Commission to prohibit trip leasing or short-term leases of trucks. Trip leasing is the long established practice whereby a hauler of farm products,

having reached market, obtains a return haul by leasing his truck and his services to a common carrier.

Continuation of this practice is essential to efficient marketing and economical transportation of farm products. Unless trucks hauling farm products are permitted to obtain revenue on the return haul by trip leasing they must either (1) increase transportation rates for hauling farm products, or (2) go out of business because they cannot survive the competition of carriers that are permitted to obtain two-way revenue.

The existence of the independent truck operator, who can move from any farm shipping area to any market without back-hauling and transfer of lading, and who can be mobilized from surrounding areas to move seasonal commodities, is essential if farm products are to be marketed to best advantage.

Unless the right to trip lease is maintained, the agricultural exemption of the Interstate Commerce Act becomes meaningless.

The enactment of S. 898 is supported by all agricultural interests and organizations.

HISTORY OF ISSUE

On May 8, 1951, ICC issued a ruling, MC-43, which provided that all truck leases must be for a period of at least 30 days—thus effectively terminating the practice of trip leasing.

A bill, H. R. 3203, was introduced in the 83d Congress, to prevent the Commission from taking such action. This bill was passed by an overwhelming voice vote in the House, but did not reach the Senate floor prior to adjournment.

During the process of congressional hearings of H. R. 3203 and S. 898, the Interstate Commerce Commission amended MC-43 on numerous occasions and in numerous respects. In its present amended form MC-43 contains much, but by no means all, of the provisions of S. 898. Many of the provisions of the amended MC-43 have been in effect for some time. Certain provisions thereof, including a prohibition against trip leasing of their trucks by private carriers, became effective June 1, 1956.

It is our conviction that the amendments to MC-43 that were made during congressional consideration of the bill, were the result of the legislative situation, and do not represent any change of viewpoint by the Commission.

Unless S. 898 is approved, the Commission will be free to re-amend its regulations in the future, to prohibit trip leasing. In view of the long history of ICC opposition to the agricultural exemption, and the Commission's expressed views with respect to the practice of trip leasing it is believed this would be the eventual outcome.

Trip leasing is of major significance to the efficient operation of truck common carriers—many of whom have supported the enactment of S. 898. Few companies can afford to own equipment adequate to handle peak loads and seasonal movements. It is uneconomic to maintain idle equipment for such contingencies. Even when a company is well supplied with equipment, it may not have equipment of the right kind, at the right place, at the right time, to meet all its needs. In order to efficiently service all their customers, common carriers must be able to dip into the transportation pool represented by exempt haulers to meet such needs.

From time to time the Congress appropriately concerns itself with the problem of maintaining small business as a healthy and dynamic part of our economy. With the exception of farmers and retail businesses there is no segment of our economy with a larger number of small businesses than the trucking industry. Curtailment of the prac-

tice of trip leasing would disastrously affect the welfare, and in many cases the continued existence, of these small businesses.

The enactment of S. 898 does not involve any change in the status of regulation of trucks as such regulations exist at this time. On the contrary, it would insure the maintenance of the status quo.

UNITED FRESH FRUIT AND
VEGETABLE ASSOCIATION,
Washington, D. C., March 8, 1956.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR: S. 898 is an important agricultural bill. We understand it is to be taken up for consideration in the Senate following passage of the farm bill. The Committee on Interstate and Foreign Commerce has reported favorably on S. 898.

The Interstate Commerce Commission issued an order, originally effective March 1 but postponed until July 1, which, in effect, would prevent haulers of agricultural products from leasing their trucks for return loads of nonagricultural freight. The order of the Commission, however, would permit such leasing for not less than 30 days, with certain ambiguous and complicated requirements. For all practical purposes, the net effect of the order would prohibit trip leasing, and substantially nullify the agricultural exemption in the Interstate Commerce Act which has been sustained and extended by the Congress on several occasions.

S. 898 would prohibit such regulation by the Commission except as to safety. A similar bill was passed in the House on June 24, 1953, and we have every reason to believe S. 898 would be approved promptly by the House.

S. 898 has been endorsed by the four national farm organizations, and numerous organizations interested in the marketing of agricultural and fishery products. It is very important to the marketing of highly perishable fresh fruits and vegetables.

We respectfully urge your favorable consideration of S. 898.

Sincerely,

C. W. KITCHEN,
Executive Vice President.

NATIONAL COUNCIL OF
FARMER COOPERATIVES,

Washington, D. C., March 9, 1956.

Re S. 898 (trip-leasing bill).

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR MR. MORSE: I respectfully urge your support of S. 898, referred to as the trip-leasing bill, in the form in which it has been reported to the Senate by the Committee on Interstate and Foreign Commerce. The bill has been cleared by the majority policy committee to be taken up in the Senate following consideration of the resolution proposing a constitutional amendment relating to election of the President and the Vice President.

In the 3 years that this bill and similar legislation have been the subject of hearings and consideration by the Senate at the committee level, many irrelevant questions have been introduced by the opposition to confuse and distract attention from the main issue involved and the real purpose of the legislation.

The heart of the bill is that provision which would preserve the right by statute of farmers, cooperative associations of farmers, private carriers, and other agricultural haulers to lease their trucks to authorized motor carriers for backhauls and for other short periods of time, rather than having to return empty in the direction of the areas where their trucks are usually based. The legislation was made necessary by the proposed imposition by the Interstate Com-

merce Commission of a 30-day minimum limitation on the length of time for which a truck might be leased and by the continuing threat that, unless a clear policy is established by statute, the Interstate Commerce Commission might at will reinstate such limitation, or an even more stringent one, as applied to trucks hauling agricultural commodities.

The leasing of trucks for return hauls or for short periods at the peak of harvest seasons not only promotes economy in the transportation charges for the movement of agricultural commodities from the farm to the consumer, but also results in efficient and full utilization of equipment and balanced operations for both the lessor and lessee motor carriers.

At a time when the main groups opposing this legislation are enjoying unprecedented prosperity, it is almost beyond belief that they—the management and some labor groups in the railroad and regulated trucking industry—would seek the elimination or curtailment of the trip-leasing practice that has proved its economic value to both producer and consumer in the more economical, efficient, and timely marketing of food products and other agricultural commodities through the years.

The bill would not effect any changes in present trip-leasing practices. It would only make certain by law that in the future the Interstate Commerce Commission shall not put into effect any regulation such as it has proposed which would further restrict the leasing of trucks than as provided in the bill.

In view of the current efforts of the Congress to help stabilize and improve the alarmingly low net income position of agriculture, we feel it is imperative that this bill be enacted promptly to preserve at least some measure of competitive economy in the transportation of agricultural commodities to offset partially the continuing climb in railroad and other regulated carrier rates.

Powerful forces, including the Interstate Commerce Commission, have been aligned against a united agriculture on this issue and have succeeded in delaying final congressional action for 3 years. We earnestly urge you to weigh carefully the facts pertinent to the issue and I am confident that you will conclude that S. 898 is not only necessary from the standpoint of agriculture but is fully justified on the basis of the proper interests of all segments of our economy.

Sincerely yours,

HOMER L. BRINKLEY,
Executive Vice President.

P. S.—Because of the paramount interest of our members throughout the country in this matter, as evidenced by several resolutions adopted by our delegate body, I have had our staff prepare a rather complete factual information concerning the issues involved in S. 898, trip-leasing bill. I am enclosing a copy with the thought that this more complete information, fully documented, may be of some value to you and your staff in anticipation of the early consideration of and action on the measure by the Senate.

FACTUAL INFORMATION CONCERNING THE ISSUES INVOLVED IN S. 898, TRIP-LEASING BILL

This bill as reported to the Senate by the Senate Committee on Interstate and Foreign Commerce on July 30, 1955, vests the Interstate Commerce Commission with specific affirmative authority to regulate the leasing of trucks by common and contract motor carriers, including the requirement that all leases must be in writing, but denies to the Commission authority to limit the length of time for which a truck may be leased from a farmer, a cooperative association, a private carrier, or anyone else following a movement of agricultural commodities in the truck.

The bill has as its primary purpose the preservation of the long-standing economical and efficient practice of trip-leasing whereby farmers, cooperative associations, private carriers, or other owner-operators of for-hire trucks engaged in hauling farm products, after a trip to market have leased their trucks, with drivers, to authorized carriers for a loaded movement back to home base or in the general direction of the area where the truck was based.

BACKGROUND TO THE BILL

The Interstate Commerce Commission on May 8, 1951, issued rules in Ex Parte No. MC-43 to govern the lease and interchange of vehicles by motor carriers. One of these rules prohibited the lease of any truck, with driver, for a period of less than 30 days. Such rule would have had the effect of completely outlawing the trip-leasing of trucks.

The matter was litigated to the Supreme Court of the United States which in a divided opinion on January 12, 1953, held that although there was no specific statutory provision in the Interstate Commerce Act to authorize such restrictive regulation, the Court was of the opinion that under its implied miscellaneous powers the ICC had the authority to issue such rule.

Promptly after the Supreme Court decision there were introduced in both the Senate and the House in the first session of the 83d Congress bills which would establish by statute that although the ICC can regulate leasing practices, it cannot limit the length of time for which a truck might be leased and thus outlaw the leasing of trucks for a single trip.

The House of Representatives overwhelmingly on a voice vote passed such bill on June 24, 1953, after extended public hearings before its Commerce Committee. Hearings were held before a subcommittee of the Senate Interstate and Foreign Commerce Committee in 1953 (July 8 and 9) and before the full Senate Interstate and Foreign Commerce Committee in 1954 (May 10, 11, June 7, 8, and 25) but the bill was not permitted to come to a vote before the Senate Commerce Committee before the adjournment of the 83d Congress.

Bills were again introduced in both the Senate and House at the beginning of the 84th Congress last year to preserve the trip-leasing practice. Further hearings were again held before the Surface Transportation Subcommittee of the Senate Interstate and Foreign Commerce Committee on June 20, 21, 22, and 23, 1955, and in the closing days of the 1st session of this Congress, the bill was reported in a compromised form to the Senate.

During this long period while the legislation has been under congressional consideration, the ICC has on numerous occasions amended its rules and postponed the effective date of the 30-day rule, as amended. The 30-day rule is now scheduled to go into effect on July 1, 1956.

In view of the fact that the House of Representatives spent considerable time in hearings and approval of the trip-leasing legislation in 1953, only to have the bill die in the Senate Commerce Committee, the House is awaiting action by the Senate at this session before acting on the legislation again. Prompt action by the Senate is important to allow time for hearings and House action before the presently scheduled effective date of the restrictive rule on July 1, 1956.

IMPORTANCE TO AGRICULTURE

Elimination of the leasing of trucks for return hauls would mean that many agricultural haulers would be put out of business, thus denying their services to agriculture, and those that could continue to operate would have to increase their charges on the transportation of agricultural commodities

if they had to make the return trips without a pay load.

The Interstate Commerce Commission has recognized the adverse effect that its original 30-day rule would have on agriculture by amending its rule on at least 3 occasions since the legislation has been before Congress to lighten its impact on the marketing of farm products.

The only significant difference between the rule as now proposed by the Commission and the bill before the Senate (S. 898) is that the Commission rule would not permit private carriers to lease their trucks for return hauls to home base. It is tremendously important that this right be preserved so that the truck of private carriers which transport canned goods, frozen concentrate, meat products, butter and other farm products in a form processed to an extent that the ICC does not regard them as "agricultural commodities," may trip-lease their trucks as freely as the operators of trucks which haul the products of agriculture in raw state.

WHY CONGRESS SHOULD ACT

Of the 11 members of the ICC today on the retirement of Commissioner J. Monroe Johnson, there is only 1 member who was on the Commission on May 8, 1951, when the 30-day rule was originally issued (Richard F. Mitchell). Since November 30, 1953, when the ICC made a change, which it termed a permanent amendment of the 30-day rule, to alleviate its adverse impact on agricultural hauling there have been 6 members (including Commissioner Johnson's prospective retirement), more than half, of the Commission to leave by retirement, resignation or expiration of their terms. The two members of the Commission, James K. Knudson and Hugh W. Cross, who were the principal spokesmen for the ICC in opposition to the trip-leasing bill in public hearings before congressional committees in 1953-54-55 are no longer members of the ICC.

The above facts definitely evidence the mutable character of the Commission and show how necessary it is for Congress to establish a definite policy on this matter by statute rather than leaving the policy for determination in accordance with the changing views of a Commission whose membership is continually changing.

PROPOSENTS AND OPPONENTS OF THE LEGISLATION

A partial list of those supporting and opposing S. 898, as reflected by the printed hearings before the Senate Surface Transportation Subcommittee last year is as follows:

For

American Farm Bureau Federation.
National Grange.
National Farmers Union.
National Council of Farmer Cooperatives.
National Milk Producers Federation.
United Fresh Fruit and Vegetable Association.
International Apple Association.
National Fisheries Institute.
Vegetable Growers Association of America.
Growers and Shippers League of Florida.
Florida Fruit and Vegetable Association.
California Grape and Tree Fruit League.
Northwest Horticultural Council.
Dairy Industry Committee.
National Association of Commissioners, Secretaries, and Directors of Agriculture.
Private Carrier Conference of ATA.
Private Truck Council of America, Inc.
American Association of Nurserymen.
National Live Stock Producers Association.
American National Cattlemen's Association.
National Wool Growers Association.
Texas and Southwestern Cattle Raisers Association.
Sun-Maid Raisin Growers of California.
National Potato Council.

Hood River Traffic Association (Oregon).
 Dixie Central Produce Co., Inc. (South Carolina).
 Florida Railroad and Public Utilities Commission.
 National Grape Cooperative Association, Inc.
 Atlanta Freight Bureau.
 Atlanta Paper Co.
 United States Department of Agriculture.
 General Services Administration.
 United States Department of Interior.

Against

International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers Union of America.

Association of American Railroads and American Short Line Railroad Association.
 Regular Common Carriers Conference of ATA.

Contract Carrier Conference of ATA.
 American Federation of Labor.
 Associated Transport, Inc.
 Washington Motor Transport Association.
 Group of Florida Certificated Motor-Transport Carriers.

Helm's New York-Pittsburgh Motor Express, Inc.

Shirks Motor Express (Pennsylvania).
 Western States Meat Packers Association Inc.

Interstate Commerce Commission.
 United States Department of Commerce.
 Assistant Comptroller General of the United States.

COMPARATIVE ECONOMIC CONDITION OF AGRICULTURE AND THE PRINCIPAL GROUPS OPPOSING THIS BILL

Exclusive of the Interstate Commerce Commission, an agency of the Government, the main groups which have sought to eliminate the trip-leasing of trucks and which have opposed the trip-leasing bill are the railroads; some, although not all, of the larger common and contract motor carriers; and the teamsters union. The gist of their arguments has been that the leasing of trucks for return hauls or other short periods from agricultural haulers and private carriers has tended to undermine the rate structure and adversely affect the financial health of the regulated transportation industry. Thus, the clear issue presented in this bill is an economic one, an alleged conflict in interest between the above groups on the one hand and the farmer on the other. It should be remembered that through the years since the Motor Carrier Act was passed in 1935 right up to the present time there has not been in effect by statute or regulation any limitation on the length of time for which a truck may be leased or any prohibition against trip-leasing.

Let's look at the record of the comparative financial health and progress of these groups opposing the trip-leasing bill compared to agriculture.

CLASS I RAILROADS

The net railway operating income, after Federal income taxes, of the class I railroads of the United States for 1955 was \$1,128 million, compared with \$874 million for 1954, an increase of 29.1 percent for 1955 over 1954. The net railway operating income for 1955 was the highest for any year in the 11-year period 1945-1955, and represented a 32.4 percent increase over 1945. The net railway operating income, after Federal income taxes, for the past 5 years is as follows:

Year:	Millions
1951.....	\$943
1952.....	1,078
1953.....	1,109
1954.....	874
1955.....	1,128

(Above data from Transport Economics, February 1956, p. 1, monthly publication of the Bureau of Transport Economics and Statistics, ICC.)

The large intercity motor carriers of property for the first 9 months of 1955 had net income after income taxes of \$57,678,944, compared with \$37,040,734 for the comparable period in 1954, an increase of 55.7 percent. Furthermore, this net income after income taxes for the first 9 months of 1955 for the large intercity motor carriers of property, amounting to \$57,678,944 was substantially in excess of the \$51,543,832 of net income after income taxes reported by the class I Intercity Motor Carriers for the whole year of 1954 (foregoing data on motor carrier net income from reports Q-800 and Transport Economics, January 1956, published by Bureau of Transport Economics and Statistics, ICC). Even with this bright 1955 picture, some motor carriers have already in 1956 put into effect higher rates with the acquiescence of the Interstate Commerce Commission.

TEAMSTERS UNION

The average wage per employee in all trucking and warehousing is believed to be the most accurate available index to how the members of the Teamsters Union are faring in our economy.

The average wage per employee for all trucking and warehousing employees was at the highest figure for the past 11 years in 1954 at \$4,884. Although the 1955 figure is not yet available and will not be compiled until later in the year, on the basis of known increases consummated in 1955, it is estimated by those in a position to know, that the average wage for 1955 will probably show as much as a 5 percent increase in 1955 over 1954. The 1954 average wage of \$4,884 for trucking and warehousing employees was 30.7 percent higher than the average wage per employee for all private industry in 1954 at \$3,734. The uninterrupted climb of wages in the trucking industry, reflecting the financial progress and stability of the regulated trucking industry, is disclosed by the following data on page 17 of American Trucking Trends (1955), an annual publication of the American Trucking Associations, Inc.:

Average wage per employee, all trucking and warehousing 1944-1954

1944.....	\$2,374
1945.....	2,545
1946.....	2,752
1947.....	3,063
1948.....	3,355
1949.....	3,545
1950.....	3,811
1951.....	4,069
1952.....	4,377
1953.....	4,730
1954.....	4,884

It is also significant to note from American Trucking Trends (1955) at page 16 that in 1953 truck wages were 53 percent of the total truck revenues of the class I, intercity common carriers of general freight, the highest percentage in the 10-year period since 1944.

AGRICULTURE

The conditions in agriculture present a striking contrast to the unprecedented prosperity presently enjoyed by the railroad and trucking industries. A few indexes of the contrasting picture will suffice.

The parity ratio which shows the relationship between the index of the prices received by farmers and the prices paid by farmers was in January 1956 at 80, the lowest point for any year since 1939, when it was 77. At 107 in 1951, it has moved downward continuously, as follows:

Parity ratio	
1951.....	107
1952.....	100
1953.....	92
1954.....	89
1955.....	84
1956 (January).....	80

The steady decline in the farmer's share of the consumer's food dollar since 1951, re-

fecting the increase in handling costs of which transportation charges are a major item in excess of 10 percent, is reflected in the following data from the Agricultural Marketing Service, United States Department of Agriculture:

Farmer's share (percent)

1951.....	48
1952.....	47
1953.....	45
1954.....	43
1955 (preliminary estimate).....	41

The farmer's share of the consumer's retail food dollar was 53 percent in 1945.

The continued decline in the farmer's economic condition since 1951 is also reflected by the following data on income of farm operators from Economic Indicators by Council of Economic Advisers, January 1956, page 7:

[In billions of dollars]

	Realized gross farm income	Net income
1951.....	37.1	14.8
1952.....	36.9	14.1
1953.....	35.2	13.4
1954.....	34.0	11.8
1955 (3d quarter annual rate).....	32.1	10.0

The Economic Report of the President, January 1956 (table D-16, p. 181) reflects that the per capita income from all sources of the farm population for the same years was as follows:

1951.....	\$977
1952.....	949
1953.....	918
1954.....	913
1955.....	856

The above report of the President, in table D-24, also reflected some very significant wage data, as follows:

Average gross hourly earnings in selected industries, 1955

Manufacturing.....	\$1.88
Bituminous coal mining.....	2.55
Building construction.....	2.63
Class I railroads.....	1.95
Telephone.....	1.82
Wholesale trade.....	1.91
Retail trade.....	1.50
Laundries.....	1.01
Agriculture.....	.675

CONCLUSION

Reasonable conclusions to be drawn from the above documented data are that:

1. The leasing of trucks to authorized carriers for return trips or other short periods of time, less than 30 days, which has been practiced through the years and is being practiced at present, has not undermined the rate levels of the regulated carriers nor brought about financial instability to the transportation industry.

2. Agriculture is the No. 1 economic problem of the Nation today and any undue restrictions on the leasing of trucks engaged wholly or in part in marketing agricultural commodities will add to transportation costs which must largely be borne by farmers and will be reflected in further decreases in their net income. S. 898 is designed to prevent administrative action by the Interstate Commerce Commission with such results to frustrate and partly nullify the other efforts now being made by Congress to stabilize and improve conditions in agriculture.

Mr. BRICKER. Mr. President, so that the RECORD may be complete, I wish to make very brief comment on the pending legislation. Similar legislation, or legislation dealing with the same subject matter, has been before Congress for a number of years.

In the 81st Congress it was my privilege, along with the distinguished Senator from Pennsylvania [Mr. MARTIN] to hold hearings on surface transportation.

The problems of the exemption field and the irregular carrier and the exempt carrier and the private carrier and the so-called gypsy carrier came before us in a rather acute form.

From that time to this we have been dealing in committee with that problem and with the need of getting a satisfactory answer to what would be a very serious problem if it were considered wholly from the standpoint of one transportation system.

In the last 30 or 40 years, we have moved from what was essentially a monopoly system of transportation to a system that is highly competitive at the present time. That highly competitive condition has brought about the problems with which we are dealing today. As the result of those problems and because of the effort of the Interstate Commerce Commission to solve them by the issuance of its order, whose suspension has been brought about from time to time, as the Senator from Florida has stated, we are today faced with the necessity of Congress having to define the various areas of truck transportation in this country.

The committee has done an excellent job, and I wish to commend the chairman of the committee and the Senator from Florida, who is the chairman of the subcommittee.

The pending bill is not satisfactory, of course, to any 1 form of transportation or to any 1 segment of our transportation industry. I do not know that it is entirely satisfactory to the agricultural interests.

However, in my judgment, it is the most satisfactory bill we can work out as among the various competitive factors in our transportation system. I believe its enactment will be in the interest of agriculture and in the interest of the transportation system generally, and tend to the orderly development of our transportation system among common carriers, private carriers, farm carriers, and so-called irregular carriers in many of the States of the Union.

I merely wished to add my word of commendation to those of other members of the committee who worked hard on the bill. I hope we may be able to pass it this afternoon and finally provide a definite congressional solution of what has proved to be such a complex problem to the Interstate Commerce Commission.

Mr. PAYNE. Mr. President, I, too, as a member of the committee, wish to endorse the outstanding work that has been done by the Senator from Florida [Mr. SMATHERS], in connection with this matter, as well as the very constructive approach that was taken by all of my colleagues on the committee. I wish to join in urging support for and passage of the measure.

I ask unanimous consent that a statement I have prepared on the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAYNE

As a member of the Interstate and Foreign Commerce Committee the junior Senator from Maine has given thorough study to S. 898, a bill to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by the motor carriers. Although I was not a member of the subcommittee which held hearings on the bill, I carefully reviewed the testimony given at those hearings, and when the bill was before the full committee I voted to report it to the Senate with the recommendation that it be passed.

Despite the fact that the problem of trip-leasing has been before both the 83d Congress and the 84th Congress, and that during both Congresses extensive hearings were held on the subject, there still seems to be considerable confusion as to just what is the purpose of the bill. As a member of the Senate committee which studied the bill, and a Senator from a State that is much concerned with the problem involved, it is my hope that, without going too much into detail, I can resolve the surrounding cloudiness and clearly present the real question. If this can be done I believe there is very little question as to what action the Senate should take on S. 898.

As my distinguished colleagues all know, the trip-leasing problem is one of long standing. It has been under active consideration by the Interstate Commerce Commission for at least 7 years. During this period the Commission has issued regulations covering trip leasing, established an effective date for the regulation, modified the regulations, and postponed the effective date repeatedly. It is my understanding that the latest Commission action has been to further postpone the effective date until July 1, 1956. The changes and postponements occurred with direct correlation to congressional activity and information developed by Congress on the subject.

At this point it might be well to state in general terms what trip leasing is. When Congress adopted the Interstate Commerce Act providing for regulation of motor carriers, it partially exempted certain carriers from regulation. Basically these exempt carriers were private carriers and carriers of agricultural commodities, including livestock and fish. These carriers are not exempt from safety requirements regulations. Generally trip leasing is the practice of the leasing of an exempt carrier by a regulated carrier for a single one-way or round trip. It is obvious that under many different circumstances such an arrangement is desirable to all parties concerned. As a result the practice has been in effect since the enactment of the Interstate Commerce Act. Over the years abuses crept into the system.

It was the abuses that caused the Interstate Commerce Commission to first look into the matter. As a result of its investigation the Commission proposed a regulation which would prohibit trip leases for less than 30 days duration. The effective result of this regulation would be to abolish trip leasing altogether. At this point it should be noted that no trip leasing regulations have ever been put into effect by the Commission.

The heart of the problem as it comes before the Senate today centers on the purpose of Congress in exempting certain motor carriers when it adopted the Interstate Commerce Act. That purpose was to provide a highly flexible system of transportation for agricultural and fishery products to allow

rapid and efficient distribution of such products to the markets. The need for having a flexible system of transportation for these products is obvious, and it is equally obvious that that need is as great today as when the act was originally put into effect.

What is the effect of trip leasing on these exempt carriers and what would be the effect of prohibiting trip leasing are the real issues at stake. Clearly the transportation of agricultural or fishery products from their point of origin to a market is a one-way operation. By trip leasing his vehicle to a regulated carrier the operator can haul a payload on his return trip and thus help meet the cost of the trip. Obviously if this arrangement were prohibited so that the carrier had to return home empty it would increase the cost of transportation of agricultural or fishery products and thus would increase the cost to the consumer of such products.

The imposition of a requirement that trip leases must be for 30 days duration or more would destroy the flexibility of the system that Congress was trying to protect. After this was demonstrated at congressional hearings the Interstate Commerce Commission amended its proposed regulations to exclude agricultural carriers. The proposed regulation would, however, prohibit trip leasing by private carriers. These private carriers are an essential part of the agricultural transportation system since many producers of such goods do not operate their own vehicles, and the private carriers fill a very definite requirement.

As the trip leasing legislation was originally proposed in the 83d Congress it would have specifically provided that the Interstate Commerce Commission could not regulate the duration of any trip lease. At the hearings on S. 898 it became evident that with regard to the nonagricultural aspects of the problem there might be abuses which it would be desirable to control.

S. 898 as reported to the Senate by the committee will clearly establish the authority of the Interstate Commerce Commission to regulate trip leasing except with regard to the duration of leases of carriers of agricultural and fishery products. Basically the bill would allow such carriers to trip lease home after hauling exempt commodities, but would give the Commission authority to restrict general trip leasing.

As a general proposition the bill would put into law the present provisions of the Commission's proposed regulations. Because of the indefinite history of the proposed regulations it is considered desirable that Congress should clearly establish its policy in this important matter. The principal objection to the bill has come from the railroads and some of the large motor carriers and is to the effect that trip leasing is detrimental to their operations. The record of the past 10 years clearly shows that the income of these carriers has been steadily rising even though the practice of trip leasing has been flourishing. The bill as it now stands will protect the legitimate operations of the exempt carriers, but leave the Interstate Commerce Commission free to otherwise regulate the carriage of goods on the highways.

For these reasons the junior Senator from Maine strongly urges the passage of S. 898.

Mr. SMATHERS. Mr. President, I should like to ask the Senator from Washington one question for the RECORD. The Senator's amendment refers to "transportation of processed or manufactured perishable commodities or products." That means, does it not, that the citrus concentrate people of Florida, Texas, and California, as private carriers, would be able to carry their citrus

concentrate and single-strength orange juice to the market and then trip-lease in the general direction home?

Mr. MAGNUSON. Yes. I was discussing the matter with the Senator from Virginia [Mr. BYRD]. We do not want to leave out apples, of course. We have a great deal in common, although we live far apart geographically. It would include apples. That is the intent. I hope the ICC will follow out that congressional intent.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. SMATHERS subsequently said: Mr. President, essentially, the trip-leasing bill is a farm bill. The whole motive behind it is to try to help the farmer, and I think in many ways that is what has been done.

As has been pointed out in the debate, trip-leasing at present is a practice which is recognized and accepted by the Interstate Commerce Commission. A private carrier or a farmer, or anyone else, at this moment can trip-lease his truck. However, the Interstate Commerce Commission indicated about 5 years ago that it would not permit the practice of trip-leasing to continue, and it issued order MC-43, which provided that as of a certain date trip-leasing would not be permitted unless the person who trip-leased his truck to a particular carrier did so for a period of 30 days or more.

It was obvious from the order that it was the intention of the Interstate Commerce Commission to do away with trip-leasing. If it had been done away with, it would have cost the farmer a large sum of money. If a farmer in South Carolina wants to send his peaches to market in Chicago or New York, under the agricultural exemption he can carry the peaches to Chicago or New York in his own truck, and is able to sell his produce at a reasonable price.

Recently, the farmer has been able to trip-lease his truck on the return journey. In other words, he may take his truck to a large trucking concern, which has a certificate to carry certain manufactured goods, and say, "I want to trip-lease my truck to you for one trip to South Carolina." In that way, his truck returns loaded, and he makes a little money on the transaction. This means that the expense of moving his peaches from South Carolina to Chicago or New York is less than what it would have been if the practice of trip-leasing were not permitted.

So when the Interstate Commerce Commission indicated it planned to do away with the old practice of trip-leasing, Congress had to do something in order to establish by law the right of the farmer to trip-lease his vehicles. The committee began to consider over a long space of time the different bills which were presented. As a matter of fact, the committee has been trying to solve this particular problem for 3 years. We realized that it was desirable to let the farmer carry to market whatever he

might grow, and to give him the right to trip-lease his truck back. That is a provision which is now written into the bill, and we hope it will now become law. That provision is not in the law at this point.

The bill also permits the farmers' cooperatives, which buy trucks and regularly haul to market the produce from the area in which the cooperatives are located, to trip-lease their trucks so that they may return loaded with manufactured goods to the area from which they started, thereby reducing the cost of shipping the original farm produce to the markets.

The bill also makes it possible for the regular haulers—those who are engaged in the business of hauling agricultural products—not the farmers themselves—to trip-lease their trucks. Not only are they given the right to trip-lease their trucks back home, but also they are given the right to trip-lease them once in any direction before starting home.

The reason for that provision is to enable the regular agricultural haulers to move from one harvest area to another. When the citrus crop in Florida becomes ripe at a certain time of the year, the citrus is hauled away to the markets of the North. About that time, as the distinguished junior Senator from South Carolina [Mr. THURMOND], who is at present the Presiding Officer, knows, the peaches in South Carolina begin to ripen, and the agricultural haulers begin to transfer their operations from the Florida area to the areas of Georgia and South Carolina.

After the agricultural commodities of South Carolina and Georgia have been hauled to the markets, the harvesting of crops begins in Texas and California.

So the agricultural haulers have been given the right to trip-lease in any direction. They may go from South Carolina all the way to California while carrying nonagricultural commodities, so that they can get to the new harvest areas and help the farmers in those areas move their produce to the markets. So that provision is now in the bill.

A question on which there was disagreement this afternoon was with respect to the private carrier, who is not in the business of hauling agricultural commodities at all—that is, the big manufacturer, a steel company, let us say, who has a great fleet of trucks and is sending steel to all parts of the country. The farmers originally wanted that kind of private carrier to have the right to trip-lease, even though he had nothing to do with agriculture.

It seemed to us, and it certainly seemed to me, as chairman of the committee, that the fact that the farmer wanted such a provision did not necessarily make it desirable. We felt we had protected the farmer in every way, because what the farmer sought and what the various farm groups wanted with respect to private carriers in many ways had nothing to do with agriculture. If the steel company wanted to ship some steel ties from Pittsburgh to Chicago and thereafter to bring back furniture, that would not be of benefit to the farmers.

So the amendment offered by the Senator from Washington was designed to relate the trip-lease of a private carrier to agricultural products and, therefore, to make it possible for the legitimate agricultural producer to have the benefit of the private carrier. That was the purpose of his amendment.

I said I could not oppose it because it seemed only proper and right to me that farmers should utilize the private carriers, but that only carriers of products processed from the basic agricultural commodities should be permitted to trip-lease.

Farm groups were opposed to that provision in some respects, but I could not go along with them. I believe in the system of regulated transportation.

When Mr. A, who lives in Dallas, Tex., buys a great number of trucks, goes before the ICC, spends money to obtain a certificate which permits him to haul manufactured commodities from Dallas, Tex., to California, submits his rates to the ICC to get approval of them, and pays both a Federal and a State tax on the weight of his truck plus other taxes, I do not believe Congress should destroy his certificate and permit private carriers to go into the same business without any regulation whatsoever.

So it seemed to me the amendment offered by the able Senator from Washington was a fair amendment, and I was happy to vote for it and support it.

As the Senator from Ohio [Mr. BRICKER] stated earlier, I think we now have a bill which, in my judgment, is the best bill we will be able to get. The truckers are not completely satisfied with it. The railroads are not completely satisfied with it. The farm people are not completely satisfied with it. But it is the nearest bill we can arrive at upon which all the interests concerned can give some semblance of agreement. We have obtained the greatest degree of agreement it is possible to reach on a particular bill.

I think the bill will be of great assistance to the Interstate Commerce Commission. I know it will be of great benefit to the farmers, because the bill writes into the law for the first time the specific agricultural exemptions which he enjoys.

Trip-leasing will not work unless it has the cooperation of all groups, farmers, private carriers, railroads and common carriers alike. The ICC does not have sufficient manpower to enforce all of the regulations. It is already tremendously understaffed. For these reasons, it is important that we have a bill on which all interests primarily concerned could agree. To do this we all had to give and take a little. As a result we feel that we worked out a satisfactory compromise. Though it does not satisfy everybody completely, it is a measure under which all can work together. I sincerely hope that the Senate will overwhelmingly adopt S. 898 as amended.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

84TH CONGRESS
2D SESSION

S. 898

IN THE HOUSE OF REPRESENTATIVES

MARCH 29, 1956

Referred to the Committee on Interstate and Foreign Commerce

AN ACT

To amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 204 of the Interstate Commerce Act, as
4 amended (49 U. S. C., sec. 304), is amended by adding
5 at the end thereof the following subsection:

6 “(e) Subject to the provisions of subsection (f)
7 hereof, the Commission is authorized to prescribe, with re-
8 spect to the use by motor carriers (under leases, contracts,

1 or other arrangements) of motor vehicles not owned by
2 them, in the furnishing of transportation of property—

3 “(1) regulations requiring that any such lease, con-
4 tract, or other arrangement shall be in writing and be
5 signed by the parties thereto, shall specify the period
6 during which it is to be in effect, and shall specify the
7 compensation to be paid by the motor carrier, and re-
8 quiring that during the entire period of any such lease,
9 contract, or other arrangement a copy thereof shall be
10 carried in each motor vehicle covered thereby; and

11 “(2) such other regulations as may be reasonably
12 necessary in order to assure that while motor vehicles
13 are being so used the motor carriers will have full direc-
14 tion and control of such vehicles and will be fully re-
15 sponsible for the operation thereof in accordance with
16 applicable law and regulations, as if they were the
17 owners of such vehicles, including the requirements pre-
18 scribed by or under the provisions of this part with
19 respect to safety of operation and equipment and in-
20 spection thereof, which requirements may include but
21 shall not be limited to promulgation of regulations re-
22 quiring liability and cargo insurance covering all such
23 equipment.

1 “(f) Nothing in this part shall be construed to authorize
2 the Commission to regulate the duration of any such lease,
3 contract, or other arrangement for the use of any motor
4 vehicle, with driver, or the amount of compensation to be
5 paid for such use—

6 “(1) where the motor vehicle so to be used is that
7 of a farmer or of a cooperative association or a federa-
8 tion of cooperative associations, as specified in section
9 203 (b) (4a) or (5), or is that of a private carrier
10 of property by motor vehicle as defined in section 203
11 (a) (17), and is used regularly in the transportation
12 of processed or manufactured perishable commodities or
13 products of the character referred to in section 203 (b)
14 (6) and such motor vehicle is to be used by the motor
15 carrier in a single movement or in one or more of
16 a series of movements, loaded or empty, in the general
17 direction of the general area in which such motor vehicle
18 is based; or

19 “(2) where the motor vehicle so to be used is one
20 which has completed a movement covered by section
21 203 (b) (6) and such motor vehicle is next to be used
22 by the motor carrier in a loaded movement in any direc-
23 tion, and/or in one or more of a series of movements,

- 1 loaded or empty, in the general direction of the general
2 area in which such motor vehicle is based.

Passed the Senate March 28 (legislative day, March
26), 1956.

Attest:

FELTON M. JOHNSTON,

Secretary.

AN ACT

To amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

MARCH 29, 1956

Referred to the Committee on Interstate and Foreign
Commerce

June 25, 1956

HOUSE

11. APPROPRIATIONS. Received the conference reports on H. R. 11319, the public works appropriation bill for 1957 (H. Rept. 2413), and H. R. 9720, the Labor-HEW appropriation bill for 1957 (H. Rept. 2414). pp. 9846, 9851, 9882
- The conferees on H. R. 11319, the public works appropriation bill, agreed to the following provisions: Provided \$13 million as proposed by the Senate, instead of \$6 million by the House for the Upper Colorado River Basin project; omitted the Senate provision for construction of recreational facilities at reclamation projects on a nonreimbursable basis; and provided \$455,949,500 instead of \$422,034,000 as proposed by the House and \$463,673,000 as proposed by the Senate for general construction of Army river, harbor, and flood control projects and improvements.
12. ROADS. Received the conference report on H. R. 10660, the Federal aid road construction and revenue bill (H. Rept. 2436). pp. 9855, 9822 The conferees agreed to provisions: authorizing appropriations of \$125 million in addition to other sums authorized for fiscal year 1957, \$850 million for fiscal year 1958, and \$875 million for fiscal year 1959 for the purposes of carrying out the provisions of the Federal aid highway and road program; apportioning the funds in the following manner: 45% for primary highways, 30% for secondary roads, and 25% for urban extensions; authorizing the appropriation of \$30 million for forest highways construction for each of the fiscal years 1958 and 1959, and \$27 million for forest development roads and trails for each of the fiscal years 1958 and 1959; providing that funds for forest highways, roads or trails authorized to be appropriated will be available for contract upon apportionment or a date not earlier than one year preceding the beginning of the fiscal year for which authorized if no apportionment is required; providing that funds available for highway and road construction shall also be used for the construction or improvement of public use facilities in the National forests repealing the apportionment procedures for forest roads and trails as contained in the Federal Highway Act of 1921; and providing that Federal funds may be used to reimburse States for the costs of utility relocations at the same ratio as Federal funds were used in the construction of the project.
13. TRANSPORTATION. The Interstate and Foreign Commerce Committee reported with amendment S. 898, to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property (H. Rept. 2425). p. 9882
14. PROPERTY. Agreed to Senate amendments to H. R. 7227, to amend the Federal Property and Administrative Services Act of 1949, to authorize the disposal of surplus property for civil defense purposes, to provide that certain Federal surplus property be disposed of to State and local civil-defense organizations which are established by or pursuant to State law. p. 9854 This bill is now ready for the President.
15. DAYLIGHT SAVING TIME. Passed without amendment S. 3295, to authorize the extension of daylight saving time to the last Sunday of October, by a vote of 199 to 120. p. 9873 This bill is now ready for the President.
16. POSTAL SERVICE. The Post Office and Civil Service Committee reported with amendment S. 1871, to provide for the reimbursement to the Post Office Department of fees for registration of Government mail (H. Rept. 2421). p. 9882

17. BUILDINGS. The Public Works Committee reported without amendment S. 3866, to facilitate the making of lease-purchase agreements by GSA (H. Rept. 2422). p. 9882
18. WEATHER CONTROL. The Interstate and Foreign Commerce Committee reported without amendment S. 2913, to extend for two years (until June 30, 1958) the Advisory Committee on Weather Control (H. Rept. 2424). p. 9882
19. SCHOOL CONSTRUCTION. The Rules Committee reported a resolution for the consideration of H. R. 7535, to authorize Federal aid to school construction. p. 9882
20. WATER POLLUTION. The "Daily Digest" states that the conferees on S. 890, to extend and strengthen the Water Pollution Control Act, agreed to file a conference report. p. D678

ITEMS IN APPENDIX

21. PERSONNEL. Rep. Jensen inserted an editorial, "United States Should Be Generous To Retired Employees," favoring bills now pending in Congress which would increase certain benefits to annuitants. p. A4979
Rep. Colmer criticized the Supreme Court ruling on the loyalty program and stated that "...if permitted to go unchallenged is a fatal blow at the efforts of the executive and legislative departments of the Government to root out and keep out of the Government subversive employees," and inserted a newspaper article, "The Court Intrudes." p. A4991
22. REA. Sen. Langer inserted a GTA daily radio roundup broadcast commending rural electrification programs and stated that "...REA is a prime example of a program that has been a marvelous help to not only farm people, but city people, as well." p. A4985
23. SMALL BUSINESS. Rep. Hyde inserted a newspaper article describing the meeting held in Baltimore by the Small Business Administration; and stating that Administrator Barnes, SBA, in hailing the meeting as a success in disseminating information on how to do business with the Government, said that his agency plans to hold similar Government procurement conferences in other parts of the country. p. A4986
24. VEGETABLES. Rep. Minshall inserted a newspaper article, "Indoor Farmers," and stated that it is a success story of an extremely important segment of our agricultural economy--the vegetable growers of America. p. A4992
25. FARM INCOME. Rep. Johnson, Wis., inserted a Democratic Digest article, "Ezra Takes The Blame But It's Ike's Farm Depression," p. A4996
26. LEGISLATIVE AUTHORITY. Rep. Haley stated that "the Members of Congress should awaken to the fact that Congress is and has been in the process of delegating too much of its power to the various bureaus and agencies of the Government" and suggested a definite reappraisal of the situation. p. A4997
27. FOREIGN AID. Rep. Smith, Wis., inserted a newspaper article, "Foreign Aid Program Should Be Scrutinized," and stated that the overwhelming evidence is that our people are demanding that this program be carefully examined in the light of present-day world conditions." p. A5002

AMENDING THE INTERSTATE COMMERCE ACT WITH RESPECT
TO THE AUTHORITY OF THE INTERSTATE COMMERCE COM-
MISSION TO REGULATE THE USE BY MOTOR CARRIERS (UNDER
LEASES, CONTRACTS, OR OTHER ARRANGEMENTS) OF MOTOR
VEHICLES NOT OWNED BY THEM, IN THE FURNISHING OF
TRANSPORTATION OF PROPERTY

JUNE 25, 1956.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. HARRIS, from the Committee on Interstate and Foreign Com-
merce, submitted the following

R E P O R T

[To accompany S. 898]

The Committee on Interstate and Foreign Commerce, to whom
was referred the bill (S. 898) to amend the Interstate Commerce Act,
with respect to the authority of the Interstate Commerce Commission
to regulate the use by motor carriers (under leases, contracts, or other
arrangements) of motor vehicles not owned by them, in the furnishing
of transportation of property, having considered the same, report
favorably thereon with amendments and recommend that the bill
as amended do pass.

The amendments are as follows:

Page 3, line 11, strike out "(17)," and insert "(17)".

Page 3, lines 12 to 14, strike out "processed or manufactured
perishable commodities or products of the character referred to in
section 203 (b) (6)" and insert—

property of a character embraced within section 203 (b) (6)
or perishable products manufactured from perishable prop-
erty of a character embraced within section 203 (b) (6),

GENERAL STATEMENT

This bill proposes to add to part II of the Interstate Commerce
Act a new provision granting specific authority to the Interstate
Commerce Commission to exercise certain regulatory authority over
the utilization by motor common and contract carriers (under leases,

contracts, or other arrangements) of vehicles not owned by them—a practice generally limited to a one-way or round-trip movement of property in a vehicle leased with driver, and commonly called “trip leasing.”

However, the Commission would be denied the authority to regulate the duration of, or the terms of compensation under, certain trip-leasing arrangements. These are ones which, stated generally, involve the trip leasing of certain classes of vehicles which are primarily used for the hauling of agricultural commodities or certain products thereof.

A detailed explanation of the authority the bill would grant, and the limitations imposed thereon, will be found below under the heading “Explanation of the reported bill.”

The affirmative authority granted to the Interstate Commerce Commission by this legislation will strengthen the Commission’s authority to deal with the abuses which have arisen from trip-leasing practices. At the same time, it will assure that motor vehicles which haul agricultural commodities may be leased to authorized motor carriers for a return haul, instead of having such vehicles return empty. The bill is of great importance to agriculture and the public, since it would permit the continuation of a flexible and efficient motor transportation service for the marketing of agricultural products which has been threatened with extinction by the Interstate Commerce Commission. This legislation would also implement the “agricultural exemptions” contained in section 203 (b) of the Interstate Commerce Act.¹

BACKGROUND INFORMATION

Part II of the Interstate Commerce Act provides for regulation of the transportation of persons and property by motor vehicle in interstate commerce.

The two principal classes of carriers regulated are common carriers, which operate under certificates of public convenience and necessity, and contract carriers, which operate under permits. For purposes of this discussion these carriers are referred to as authorized motor carriers.

Ever since the enactment of part II of the Interstate Commerce Act in 1935 it has been a common practice of authorized motor carriers of property to perform the services covered by their certificates or permits through the use (under leasing or similar arrangements) of motor vehicles owned by other persons, and in many cases such arrangements include the services of a driver. Such arrangements have never been considered to be unlawful, and have become an accepted part of the motor transportation system of the country. In fact, during World War II trip leasing was encouraged by our Govern-

¹ The “agricultural exemptions” contained in sec. 203 (b) of the Interstate Commerce Act are as follows: “(h) Nothing in this part, except the provisions of sec. 204 relative to qualifications and maximum hours of service of employees and safety of operation or standards of equipment shall be construed to include * * * (4a) motor vehicles controlled and operated by any farmer when used in the transportation of his agricultural (including horticultural) commodities and products thereof, or in the transportation of supplies to his farm; or (5) motor vehicles controlled and operated by a cooperative association as defined in the Agricultural Marketing Act, approved June 15, 1929, as amended, or by a federation of such cooperative associations, if such federation possesses no greater powers or purposes than cooperative associations so defined; or (6) motor vehicles used in carrying property consisting of ordinary livestock, fish (including shellfish), or agricultural (including horticultural) commodities (not including manufactured products thereof), if such motor vehicles are not used in carrying any other property, or passengers, for compensation; * * *.”

ment as a means of utilizing to the utmost our trucking industry and highway system as a means of furthering the war effort.

Such arrangements are made under a great variety of circumstances, in some cases covering periods of months or years. The type of arrangement with which this legislation is concerned is that of the "trip leasing" of a motor vehicle, with driver, for a single one-way haul or round trip. Virtually all large motor carriers occasionally trip lease a truck with driver to handle peak loads, and there are some motor carriers, who own a limited number of motor vehicles or none at all, who make very substantial use of vehicles under trip leases.

The leasing practices of authorized motor carriers have, in the opinion of the Interstate Commerce Commission, presented troublesome problems for many years.

In 1940, the Commission's Bureau of Motor Carriers began a study of such leasing practices. The study was suspended during the war, but was resumed thereafter, and in 1947, tentative rules to govern the practices were offered to representatives of the carriers for criticisms and suggestions. The motor carriers were unable to agree as to the action that should be taken to correct abuses in such practices. As a result, the Commission, on January 9, 1948, instituted, on its own motion, a proceeding respecting the lawfulness of the practices of motor common and contract carriers of property in the leasing and interchange of motor vehicles, the proceeding being docketed as *Ex parte* No. MC-43, Lease and Interchange of Vehicles by Motor Carriers.

Division 5 of the Commission decided on June 26, 1950 (51 M. C. C. 461), that there were widespread violations and evasions of the provisions of part II of the Interstate Commerce Act and the regulations prescribed thereunder, in the practices of motor carriers in augmenting their equipment by leases, contracts, or other arrangements. An examiner had recommended proposed rules, including a rule that leases must be of at least 30 days' duration, and another that compensation be on a basis other than a division of revenues. While Division 5 substantially followed the examiner's recommendations in other respects, it rejected both these provisions. Subsequently the matter was reopened for proceedings before the entire Commission.

The entire Commission made its report on May 8, 1951 (52 M. C. C. 675), in which it adopted rules which were similar to those prescribed by Division 5, with the important exception that the entire Commission included the rules proposed by the examiner, but which Division 5 had rejected, requiring that every lease by an authorized motor carrier for the use of a motor vehicle which it did not own, when such vehicle is to be operated for the authorized carrier by the owner or by an employee of the owner of the vehicle, must be of at least 30 days' duration and that compensation must be on a basis other than a division or percentage of revenues earned with the leased equipment.

The Commission stated, in substance, that its rules were essential to maintain effective control over the operational safety, carrier responsibility, and the economics of the motor-carrier industry.

The Commission's authority to prescribe these rules was challenged in the courts. On January 12, 1953, the United States Supreme Court, in *American Trucking Associations, Inc. v. United States* (344 U. S. 298), upheld the exercise of such authority by the Commission.

The decision of the Court related, of course, solely to the power of the Commission to do what it had done. It therefore did not decide the question of the wisdom or desirability of the Commission's action.

The 30-day lease requirement in the Commission's rules is the provision to which strong objection is made. It is contended, and it seems to be admitted by everyone, that as a practical matter it would abolish trip leasing.

If trip leasing were abolished, truck haulers of agricultural commodities, livestock, and fish, who now obtain return hauls by leasing their trucks to authorized motor carriers, would no longer be able to do so, but would have to return empty. Thus, they would have to charge more for hauling such products, thereby necessitating an increase in the cost of marketing and the spread between farm and consumer prices. The economic loss involved in such wasteful use of equipment, manpower, and gasoline would be reflected in higher prices to consumers, or lower prices to farmers and other producers, or both. It is doubtful, indeed, whether the exempt haulers of agricultural commodities, livestock, and fish would be able to survive under these conditions.

NECESSITY FOR REGULATION OF PRACTICES CONNECTED WITH LEASING

The findings made by the Commission, on the basis of which its order was issued, indicate that regulation is necessary to deal with certain practices, growing out of the use of leased vehicles by authorized motor carriers, which tend in certain respects to prevent the effective carrying out of certain of the provisions of the Interstate Commerce Act.

The Commission found, among other things, that in many instances when authorized carriers trip-lease vehicles owned by others the safety requirements imposed under part II of the act are not observed; that the practice of trip leasing makes it difficult to fix carrier responsibility; and that some of the arrangements made between authorized carriers and the owners of trip-leased vehicles tend to hamper normal rate regulation and otherwise have an adverse effect on the economics and stability of the motor carrier industry.

It is for these reasons that the Commission issued the order of May 8, 1951, which is set forth in appendix A.

Putting aside the controversial 30-day lease provision, the rules in the Commission's order contain a number of provisions (such as the requirement that the lease covering a vehicle must be in writing, that a copy must be carried in the vehicle, that the lease must specify the compensation to be paid, that the lease must provide for complete assumption by the carrier of responsibility for the control and use of the vehicle during the period of the lease, and so on) which are aimed directly at the abuses alleged to grow out of trip leasing.

PRESENT STATUS OF ICC LEASING ORDER

The order of the Interstate Commerce Commission, dated May 8, 1951, was scheduled to take effect on August 1, 1951. However, in response to the strong objections of agricultural interests, certain motor carriers and other parties, and in response to repeated requests of committees of the Congress, the Interstate Commerce Commission has found it necessary to postpone repeatedly the effective date of,

and amend, that portion of the order dealing with the 30-day minimum rule on trip leasing. At the present time, the order, as amended, is scheduled to become effective on July 1, 1956. The presently outstanding order is set forth as appendix B to this report.

As amended, the 30-day minimum leasing rule would not apply to motor vehicles used in the transportation of agricultural commodities (i. e., those vehicles specified in secs. 203 (b) (4a), (5), or (6) of the act). The effect of this modification is to permit authorized carriers to trip lease (without regard to the duration of the lease) a motor vehicle, with driver, when such vehicle is (1) controlled and operated by a farmer, or by a farmer cooperative association or federation, and (2) used for hire in carrying property specified in section 203 (b) (6) of the act, after such vehicle has completed a movement in which it was exempted from regulation by reason of sections 203 (b) (4a), (5), or (6) of the act. However, the lease of such vehicle is restricted to a single loaded movement in any direction, or to a series of movements over reasonably direct routes in the direction of the general area in which the exempt movement originated, or in the direction of the area in which the equipment is based.

As thus modified, the Commission's order would authorize the trip leasing of motor vehicles substantially to the same degree as is provided for in the reported bill, with one important exception. The Commission's order would not permit the trip leasing of the motor vehicle of a private carrier. The reported bill would permit such trip leasing to a limited extent, namely, when the equipment of the private carrier is used regularly in the transportation of property of a character embraced within section 203 (b) (6) of the act or perishable products manufactured from perishable property of a character embraced within that section.

The committee believes that such limited trip leasing by private carriers is essential to the continuation of a flexible and efficient motor transportation service for the marketing of agricultural products and is in the public interest.

Even though the Interstate Commerce Commission has granted an exemption from the 30-day minimum leasing rules to agricultural haulers, this committee is, nevertheless, of the opinion that such exemption should be provided by statute. Several agricultural witnesses have expressed the fear that unless these exemptions are specifically provided for in the law, the Commission may, at some later date, cancel such exemption. The committee shares this view.

EXPLANATION OF THE REPORTED BILL

The bill as reported would amend the Interstate Commerce Act to provide for the regulation of the use by interstate motor common and contract carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them in the furnishing of transportation of property. This is accomplished by adding two new subsections to section 204 of the Interstate Commerce Act, namely, subsection (e) and subsection (f).

Subsection (e) would authorize the Interstate Commerce Commission, subject to the provisions of subsection (f), to prescribe regulations requiring that such leases, contracts, or other arrangements shall (1) be in writing, (2) be signed by the parties thereto, (3) specify

the period during which they shall be in effect, and (4) specify the compensation to be paid by the motor carrier, and requiring that a copy of such lease shall be carried in each vehicle covered thereby. Such subsection also would authorize the Commission to prescribe such other regulations as may be reasonably necessary to assure that motor carriers will have full direction and control of vehicles while they are being used under such leases, and will be fully responsible for the operation thereof in accordance with applicable law and regulation, as if they were the owners of the vehicles. Requirements prescribed by or under the provisions of part II with respect to safety of operation and equipment and inspection are specifically included within the meaning of applicable law and regulation. Under these requirements, the Commission's authority would include, but is not limited to, the promulgation of regulations requiring liability and cargo insurance covering all such equipment.

Subsection 204(f) would serve to exclude from the Commission's powers under subsection (e), as well as any other provision of part II of the act, the authority to regulate the duration of such leases, contracts, or other arrangements for the use of certain specified classes of motor vehicles, with drivers, or the amount of compensation to be paid for such use thereof. The specified classes of motor vehicles are:

First: Any motor vehicle described in any of the following three paragraphs if it is to be used by the motor carrier in a single movement or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which the vehicle is based:

(1) A motor vehicle controlled and operated by any farmer when used in the transportation of his agricultural (including horticultural) commodities or products thereof, or in the transportation of supplies to his farm (sec. 203(b)(4a));

(2) A motor vehicle controlled and operated by a cooperative association as defined in the Agricultural Marketing Act, approved June 15, 1929, as amended, or by a federation of such cooperative associations, if such federation possesses no greater powers or purposes than cooperative associations so defined (sec. 203(b)(5));

(3) A motor vehicle of a private carrier of property by motor vehicle, as defined by section 203(a)(17), used regularly in the transportation of (A) property of a character embraced within section 203(b)(6) (ordinary livestock, fish (including shellfish), or agricultural (including horticultural) commodities (not including manufactured products thereof)), or (B) perishable products manufactured from perishable property of a character embraced within section 203(b)(6).

Second: Any motor vehicle which has completed a movement of property consisting of ordinary livestock, fish (including shellfish), or agricultural (including horticultural) commodities (not including manufactured products thereof), and such motor vehicle is next to be used by the motor carrier in a loaded movement in any direction and/or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which the vehicle is based.

HEARINGS

The committee held public hearings on this bill on May 16, 17, and 21, 1956.

Testimony in support of this legislation was received from Members of Congress, the Department of Agriculture, the American Farm Bureau Federation, the National Grange, the National Council of Farmer Cooperatives, the National Farmers Union, the National Fisheries Institute, the Vegetable Growers Association of America, the United Fresh Fruit and Vegetable Association, the International Apple Association, and others.

REPORTS FROM EXECUTIVE DEPARTMENTS AND AGENCIES

Reports on this bill were received from the Department of Agriculture, the Department of Commerce, the Interstate Commerce Commission, and the Bureau of the Budget. These reports are shown in appendix C to this report.

CONCLUSION

Three years ago this committee reported a bill (H. R. 3203, 83d Cong.) which would have denied to the Interstate Commerce Commission authority to regulate the trip leasing of any motor vehicle. This bill passed the House overwhelmingly, but failed to pass the Senate because of the strong opposition which developed to it.

The bill here being reported is a compromise bill which the agricultural interests favor. The committee believes that there will be no opposition to this bill by the railroads or the regulated motor carrier industry, or the teamsters union which had previously opposed this legislation. The committee believes that this legislation is necessary in the public interest and urges the House to pass the bill as reported.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as passed by the Senate, are shown as follows (new matter is printed in italics, existing law in which no change is proposed is shown in roman):

INTERSTATE COMMERCE ACT, AS AMENDED

GENERAL DUTIES AND POWERS OF THE COMMISSION

SEC. 204. (a) It shall be the duty of the Commission—

(1) To regulate common carriers by motor vehicle as provided in this part, and to that end the Commission may establish reasonable requirements with respect to continuous and adequate service, transportation of baggage and express, uniform systems of accounts, records, and reports, preservation of records, qualifications and maximum hours of service of employees, and safety of operation and equipment.

* * * * *

(e) *Subject to the provisions of subsection (f) hereof, the Commission is authorized to prescribe, with respect to the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property—*

(1) *regulations requiring that any such lease, contract, or other arrangement shall be in writing and be signed by the parties thereto,*

shall specify the period during which it is to be in effect, and shall specify the compensation to be paid by the motor carrier, and requiring that during the entire period of any such lease, contract, or other arrangement a copy thereof shall be carried in each motor vehicle covered thereby; and

(2) such other regulations as may be reasonably necessary in order to assure that while motor vehicles are being so used the motor carriers will have full direction and control of such vehicles and will be fully responsible for the operation thereof in accordance with applicable law and regulations, as if they were the owners of such vehicles, including the requirements prescribed by or under the provisions of this part with respect to safety of operation and equipment and inspection thereof, which requirements may include but shall not be limited to promulgation of regulations requiring liability and cargo insurance covering all such equipment.

(f) Nothing in this part shall be construed to authorize the Commission to regulate the duration of any such lease, contract, or other arrangement for the use of any motor vehicle, with driver, or the amount of compensation to be paid for such use—

(1) where the motor vehicle so to be used is that of a farmer or of a cooperative association or a federation of cooperative associations, as specified in section 203 (b) (4a) or (5), or is that of a private carrier of property by motor vehicle as defined in section 203 (a) (17), and is used regularly in the transportation of processed or manufactured perishable commodities or products of the character referred to in section 203 (b) (6) and such motor vehicle is to be used by the motor carrier in a single movement or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based; or

(2) where the motor vehicle so to be used is one which has completed a movement covered by section 203 (b) (6) and such motor vehicle is next to be used by the motor carrier in a loaded movement in any direction, and/or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based.

APPENDIXES

APPENDIX A

TITLE 49—TRANSPORTATION

CHAPTER I—INTERSTATE COMMERCE COMMISSION

Subchapter B—Carriers by Motor Vehicle

PART 207—LEASE AND INTERCHANGE OF VEHICLES

Ex Parte No. MC-43

LEASE AND INTERCHANGE OF VEHICLES BY MOTOR CARRIERS

At a General Session of the Interstate Commerce Commission, held at its office in Washington, D. C., on the 8th day of May, A. D. 1951.

It appearing, That subsequent to an investigation into the lawfulness of the practices of motor common and contract carriers of property, the Commission, division 5, by order dated June 26, 1950, prescribed rules and regulations governing the practices of such carriers in the performance of transportation with motor vehicles owned by others, the interchange of vehicles between such common carriers, and the lease of vehicles by any such carriers to private motor carriers and shippers (15 F. R. 4339, July 8, 1950);

It further appearing, That by order entered September 5, 1950 (15 F. R. 6125, Sept. 12, 1950), the effectiveness of said regulations was postponed indefinitely;

And it further appearing, That pursuant to order dated September 22, 1950, reopening the proceeding and setting it down for oral argument, such oral argument has been held, and, that after reconsideration by the entire Commission, the Commission, on the date hereof, has made and filed a report on oral argument containing its findings of fact and conclusions thereon, which report is hereby made a part hereof;

It is ordered, That the following rules and regulations are hereby prescribed to become effective on August 1, 1951;

Sec.

207.1 Applicability.

207.2 Definitions.

207.3 Exemptions.

207.4 Augmenting equipment.

207.5 Interchange of equipment.

207.6 Rental of equipment to private carriers and shippers.

AUTHORITY: §§ 207.1 to 207.6 issued under 49 Stat. 546, as amended; 49 U. S. C. 304.

§ 207.1 *Applicability*. The rules and regulations in this part apply to the augmenting of equipment by common and contract car-

riers of property by motor vehicle in interstate or foreign commerce subject to Part II of the Interstate Commerce Act, 49 U. S. C. 301 et seq.; to the interchange of equipment between such common carriers of property by motor vehicle, and to the lease of equipment by common and contract carriers of property by motor vehicle, with or without drivers, to private motor carriers and shippers.

§ 207.2 *Definitions.* (a) *Authorized carrier.* A person or persons authorized to engage in the transportation of property as a common or contract carrier under the provisions of Sections 206, 207, or 209 of the Interstate Commerce Act, 49 U. S. C. 306, 307, or 309.

(b) *Equipment.* A motor vehicle, straight truck, tractor, semi-trailer, full trailer, combination tractor-and-semitrailer, combination straight truck and full trailer, and any other type of equipment used by authorized carriers in the transportation of property for hire.

(c) *Interchange of equipment.* The physical exchange of equipment between motor common carriers or the receipt by one such carrier of equipment from another such carrier, in furtherance of a through movement of traffic, at a point or points which such carriers are authorized to serve.

(d) *Regular employee.* A person not merely an agent but regularly in exclusive full-time employment.

(e) *Agent.* A person duly authorized to act for and on behalf of an authorized carrier.

(f) *Noncarrier.* A person other than an authorized carrier.

(g) *Owner.* A person to whom title to equipment has been issued, or who has lawful possession of equipment, and has the same registered and licensed in any State or States or the District of Columbia in his or its name.

§ 207.3 *Exemptions.* Other than § 207.4 (c) and (d), relative to inspection and identification of equipment these rules shall not apply—

(a) To equipment leased by one authorized carrier operating over regular routes to another authorized carrier operating over regular routes and operated between points and over routes which both lessor and lessee are authorized to serve, and to equipment leased by one authorized carrier operating over irregular routes to another such carrier and operated between points and within territory which both the lessor and lessee are authorized to serve;

(b) To equipment utilized wholly or in part in the transportation of railway express traffic, or in substituted motor-for-rail transportation of railroad freight moving between points that are railroad stations on railroad billing;

(c) To equipment utilized in transportation performed solely and exclusively within any municipality, contiguous municipalities, or commercial zone, as defined by the Commission;

(d) To equipment utilized by an authorized carrier in transportation performed pursuant to any plan of operation approved by the Commission in a proceeding arising under section 5 of the Interstate Commerce Act, or

(e) To equipment without drivers leased by an authorized carrier from an individual, copartnership or corporation, whose principal business is the leasing of equipment without drivers for compensation.

§ 207.4 *Augmenting equipment.* Other than equipment exchanged between motor common carriers in interchange service as defined in

§ 207.5 of these rules, authorized carriers may perform authorized transportation in or with equipment which they do not own only under the following conditions:

(a) The contract, lease, or other arrangement for the use of such equipment—

(1) Shall be made between the authorized carrier and the owner of the equipment;

(2) Shall be in writing and signed by the parties thereto, or their regular employees or agents duly authorized to act for them in the execution of contracts, leases or other arrangements;

(3) Shall specify the period for which it applies, which shall be not less than 30 days when the equipment is to be operated for the authorized carrier by the owner or employees of the owner; provided, that for six months from the date these rules become effective, equipment specified in section 203 (b) (6) of the Act 49 U. S. C. 303 (b) (6) may be utilized by authorized carriers under contracts, leases, or other arrangements applying for less than 30 days, only under the following condition:

(i) The equipment is being returned over reasonably direct routes from the destinations of shipments of the commodities specified in section 203 (b) (6) of the Act 49 U. S. C. 303 (b) (6) or points intermediate thereto, or the commercial zones of such destinations and intermediate points, as defined by the Commission, to the origins of such shipments, or points intermediate thereto, or the commercial zones of such origins and intermediate points, as defined by the Commission;

(4) Shall provide for the exclusive possession, control, and use of the equipment, and for the complete assumption of responsibility in respect thereto, by the authorized carrier, as follows:

(i) When entered into by parties other than authorized carriers of household goods, as defined by the Commission, for the duration of the said contract, lease or other arrangement, and the equipment shall not be further leased or sublet to any other authorized carrier or noncarrier for such duration;

(ii) When entered into by authorized carriers of household goods, as defined by the Commission, during the period the equipment is operated by or for the authorized carrier, lessee;

(5) Shall specify the compensation to be paid by the lessee for the rental of the leased equipment; provided, however, that such compensation shall not be computed on the basis of any division or percentage of any applicable rate or rates on any commodity or commodities transported in said vehicle or on a division or percentage of any revenue earned by said vehicle during the period for which the lease is effective;

(6) Shall specify the time and date or the circumstance on which the contract, lease, or other arrangement begins, and the time or the circumstance on which it ends. The duration of the contract, lease, or other arrangement shall coincide with the time for the giving of receipts for the equipment, as required by paragraph (b) of this section; and

(7) Shall be executed in triplicate; the original shall be retained by the authorized carrier in whose service the equipment is to be operated, one copy shall be retained by the owner of the equip-

ment, one copy shall be carried on the equipment specified therein during the entire period of the contract, lease, or other arrangement, unless a certificate as provided in paragraph (d) (2) of this section is carried in lieu thereof.

(b) *Receipts.* When possession of the equipment is taken by the authorized carrier or its regular employee or agent duly authorized to act for it, said carrier, employee, or agent shall give to the owner of the equipment, or the owner's employee or agent a receipt specifically identifying the equipment and stating the date and the time of day possession thereof is taken; and when the possession by the authorized carrier ends, it or its employee or agent shall obtain from the owner of the equipment, or its regular employee or agent duly authorized to act for it, a receipt specifically identifying the equipment and stating therein the date and the time of day possession thereof is taken.

(c) *Inspection of equipment.* It shall be the duty of the authorized carrier, before taking possession of equipment, to inspect the same or to have the same inspected by a person who is competent and qualified to make such inspection and has been duly authorized by such carrier to make such inspection as a representative of the carrier, in order to insure that said equipment complies with parts 193 and 196 of the Motor Carrier Safety Regulations (Rev.), pertaining to "Parts and Accessories Necessary for Safe Operation," and "Inspection and Maintenance," and if explosives or other dangerous articles are to be transported thereon, further to inspect and check such vehicles or equipment to insure that they or it complies with Part 197 of the said safety regulations pertaining to "Safe Transportation of Explosives." The person making the inspection shall certify the results thereof on a report in the form hereinafter set forth, which report shall be retained and preserved by the authorized carrier, and if his inspection discloses that the equipment does not comply with the requirements of the said safety regulations, possession thereof shall not be taken. In all instances in which the inspection required by this rule is made, the authorized carrier, if an individual, or a member of the copartnership if the authorized carrier is a copartnership, or one of the officials thereof if the authorized carrier is a corporation, shall certify on the inspection report that the person who made the inspection, whether an employee or person other than an employee, is competent and qualified to make such inspection and has been duly authorized by such carrier to make such inspection as a representative of such authorized carrier:

REPORT OF VEHICLE INSPECTION

Description of vehicle: Make _____ Year _____ Model _____
 Serial No. _____
 Type: Tractor _____ Trailer _____ Semitrailer _____
 License plate: No. _____ State _____
 Owner's name _____
 Name of authorized carrier _____

Indicate in the proper column the result of the inspection of each item listed:

Item	Not defec- tive	Defective	Description of defect
Body brakes.....			
Cooling system.....			
Drive line.....			
Emergency equipment.....			
Engine.....			
Exhaust.....			
Fuel system.....			
Glass.....			
Horn.....			
Leaks.....			
Lights (state which).....			
Reflectors.....			
Speedometer.....			
Springs.....			
Steering.....			
Tires.....			
Wheels.....			
Windshield wiper.....			
Any other items requiring attention.....			

I hereby certify that on the _____ day of _____, I carefully inspected the equipment described above and that this is a true and correct report of the result of such inspection.

(Signature of person making inspection)

I hereby certify that on the date stated above the person who made the inspection covered by this report was competent and qualified to make such inspection and was duly authorized to make such inspection as a representative of _____

(Name of authorized carrier)

Date _____

(Signature of authorized carrier or copartner
or officer of authorized carrier)

(d) *Identification of equipment.* The authorized carrier acquiring the use of equipment under this rule shall properly and correctly identify such equipment as operated by it when such equipment is operated by or for such carrier, during the period of the lease, contract, or other arrangement, in accordance with the Commission's requirements in Ex Parte No. MC-41; Part 166, Identification of Motor-Carrier Vehicles. If a removable device is used to identify the authorized carrier as the operating carrier, such device shall be on durable material such as wood, plastic, or metal, and bear a serial number in the authorized carrier's own series so as to keep proper record of each of the identification devices in use.

(1) The authorized carrier operating equipment under these rules shall remove any legend, showing it as the operating carrier, displayed on such equipment, and shall remove any removable device showing it as the operating carrier, before relinquishing possession of the equipment.

(2) Unless a copy of the lease, contract, or other arrangement is carried on the equipment, as provided in paragraph (a) (7) of this section, the authorized carrier or its regular employee or agent shall prepare a statement certifying that the equipment is being operated by it, which shall specify the name of the owner, the date of the lease, contract or other arrangement, the period

thereof, any restrictions therein relative to the commodities to be transported, and the location of the premises where the original of the lease, contract or other arrangement is kept by the authorized carrier, which certificate shall be carried with the equipment at all times during the entire period of the lease, contract or other arrangement.

(e) *Driver of equipment.* Before any person other than a regular employee of the authorized carrier is assigned to drive equipment operated under these rules, it shall be the duty of the authorized carrier to make certain that such driver is familiar with, and that his employment as a driver will not result in, violation of any provision of Parts 192, 193, 195, and 196 of the Motor Carrier Safety Regulations (Rev.) pertaining to "Driving of Motor Vehicles," "Parts and Accessories Necessary for Safe Operation," "Hours of Service of Drivers," and "Inspection and Maintenance," and to require such driver to furnish a certificate of physical examination in accordance with Part 191 of the Motor Carrier Safety Regulations (Rev.) pertaining to "Qualifications of Drivers," or, in lieu thereof, a photostatic copy of the original certificate of physical examination, which shall be retained in the authorized carrier's file.

(f) *Record of use of equipment.* The authorized carrier utilizing equipment operated under these rules shall prepare and keep a manifest covering each trip for which the equipment is used in its service, containing the name and address of the owner of such equipment, the make, model, year, serial number, and the State registration number of the equipment, and the name and address of the driver operating the equipment, point of origin, the time and date of departure, the point of final destination, and the authorized carrier's serial number of any identification device affixed to the equipment. During the time that equipment subject to these regulations is operated there shall be carried with the equipment, bills of lading, waybills, freight bills, manifests, or other papers identifying the lading, which shall clearly indicate that the transportation of the property carried is under the responsibility of the authorized carrier, which papers, together with the truck manifest, shall be preserved by the authorized carrier.

§ 207.5 *Interchange of equipment.* Authorized common carriers may by contract, lease, or other arrangement, interchange any equipment defined in § 207.2 of these rules with one or more other such common carriers, or one of such carriers may receive from another such carrier, any of such equipment, in connection with any through movement of traffic, under the following conditions:

(a) *Agreement providing for interchange.* The contract, lease, or other arrangement providing for interchange shall specifically describe the equipment to be interchanged; the specific points of interchange; the use to be made of the equipment and the consideration for such use; and shall be signed by the parties to the contract, lease, or other arrangement, or their regular employees or agents duly authorized to act for them, in the execution of such contracts, leases, or other arrangements.

(b) *Authority of carriers participating in interchange.* The certificates of public convenience and necessity held by the carriers participating in the interchange arrangement must authorize the transportation of the commodities proposed to be transported in the through

movement, and service from and to the point where the physical interchange occurs.

(c) *Driver of interchanged equipment.* Each carrier must assign its own driver to operate the equipment that is proposed to be operated from and to the point or points of interchange and over the route or routes or within the territory authorized in the participating carriers' respective certificates of public convenience and necessity.

(d) *Through bills of lading.* The traffic transported in interchange service must move on through bills of lading issued by the originating carrier, and the rates charged and revenues collected must be accounted for in the same manner as if there had been no interchange of equipment. Charges for the use of the equipment shall be kept separate and distinct from divisions of the joint rates or the proportions thereof accruing to the carriers by the application of local or proportional rates.

(e) *Inspection of equipment.* It shall be the duty of the carrier acquiring the use of equipment in interchange to inspect such equipment, or to have it inspected in the manner provided in § 207.4 (c) of these rules, and equipment which does not meet the requirements of the safety regulations shall not be operated in the respective services of the interchange carriers until the defects have been corrected.

(f) *Identification of equipment.* The authorized carriers operating equipment in interchange service under this section shall carry with each vehicle so operated a copy of the contract, lease, or other arrangement while the equipment is being operated in the interchange service.

§ 207.6 *Rental of equipment to private carriers and shippers.*

(a) *Renting equipment with drivers.* Unless such service is specified in their operating authorities, authorized carriers shall not rent equipment with drivers to noncarriers.

(b) *Rental of equipment without drivers.* Authorized common carriers shall not rent equipment without drivers to noncarriers.

Notice of this order shall be given to the general public by depositing a copy hereof in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director of the Division of the Federal Register.

By the Commission.

[SEAL]

W. P. BARTEL, *Secretary.*

APPENDIX B

INTERSTATE COMMERCE COMMISSION

Ex Parte No. MC-43

LEASE AND INTERCHANGE OF VEHICLES BY MOTOR CARRIERS

The following are the regulations as amended to this date adopted in the above entitled proceeding.

GEORGE W. LAIRD, *Secretary.*

The following rules and regulations became effective on September 1, 1953; excepting that the effective date as the same applies to authorized carriers of household goods is March 1, 1956; section 207.5 (c),

insofar as such section applies to carriers transporting automobiles, trucks, buses, and related traffic, and carriers transporting perishable products in refrigerated equipment is March 1, 1956; and that part of section 207.4 (a) (3) which provides that equipment leased by authorized carriers shall be for a period of not less than 30 days, and that part of section 207.4 (a) (5) which provides that the compensation for equipment leased by authorized carriers shall not be based on any division or percentage of the rates charged for transportation performed or any revenue earned by said vehicle during the period of the lease is March 1, 1956.

Sec.

207.1 Applicability.

207.2 Definitions.

207.3 Exemptions.

207.4 Augmenting equipment.

207.5 Interchange of equipment.

207.6 Rental of equipment to private carriers and shippers.

§ 207.1 *Applicability.* The rules and regulations in this part apply to the augmenting of equipment by common and contract carriers of property by motor vehicle in interstate or foreign commerce subject to Part II of the Interstate Commerce Act, 49 U. S. C. 301 et. seq.; to the interchange of equipment between such common carriers of property by motor vehicle and to the lease of equipment by common and contract carriers of property by motor vehicle, with or without drivers, to private motor carriers and shippers.

§ 207.2 *Definitions.* (a) *Authorized carrier.* A person or persons authorized to engage in the transportation of property as a common or contract carrier under the provisions of Sections 206, 207, or 209 of the Interstate Commerce Act, 49 U. S. C. 306, 307, or 309.

(b) *Equipment.* A motor vehicle, straight truck, tractor, semi-trailer, full trailer, combination tractor and trailer, combination straight truck and full trailer, and any other type of equipment used by authorized carriers in the transportation of property for hire.

(c) *Interchange of equipment.* The physical exchange of equipment between motor common carriers or the receipt by one such carrier of equipment from another such carrier, in furtherance of a through movement of traffic, at a point or points which such carriers are authorized to serve.

(d) *Regular employees.* A person not merely an agent but regularly in exclusive full-time employment.

(e) *Agent.* A person duly authorized to act for and on behalf of an authorized carrier.

(f) *Noncarrier.* A person other than an authorized carrier.

(g) *Owner.* A person to whom title to equipment has been issued, or who has lawful possession of equipment, and has the same registered and licensed in any State or States or the District of Columbia in his or its name.

§ 207.3 *Exemptions.* Other than section 207.4 (c) and (d), relative to inspection and identification of equipment, and section 207.6, relative to rental of equipment, these rules shall not apply.

(a) To equipment owned or held under a lease of 30 days or more by an authorized carrier and regularly used by it in the service authorized, and leased by it to another authorized carrier for transportation in the direction of a point which lessor is authorized to serve.

(b) To equipment utilized wholly or in part in the transportation of railway express traffic, or in substituted motor-for-rail transportation of railroad freight moving between points that are railroad stations on railroad billing.

(c) To equipment utilized in transportation performed solely and exclusively within any municipality, contiguous municipalities, or commercial zone, as defined by the Commission.

(d) To equipment utilized by an authorized carrier in transportation performed pursuant to any plan of operation approved by the Commission in a proceeding arising under section 5 of the Interstate Commerce Act; or

(e) To the lease of equipment without drivers by an authorized carrier from an individual, copartnership, or corporation, whose principal business is the leasing of equipment without drivers for compensation.

(f) To equipment other than a power unit, provided that such equipment is not drawn by a power unit leased from the lessor of such equipment.

§ 207.4 *Augmenting equipment.* Other than equipment exchanged between motor common carriers in interchange service as defined in § 207.5 of these rules, authorized carriers may perform authorized transportation in or with equipment which they do not own only under the following conditions:

(a) The contract, lease, or other arrangement for the use of such equipment—

(1) shall be made between the authorized carrier and the owner of the equipment;

(2) shall be in writing and signed by the parties thereto, or their regular employees or agents duly authorized to act for them in the execution of contracts, leases, or other arrangements;

(3) shall specify the period for which it applies, which shall be not less than 30 days when the equipment is to be operated for the authorized carrier by the owner or employee of the owner; excepting—

(i) that equipment specified in section 203 (b) (4a), (5), (6) of the Act (49 U. S. C. 303 (b) (4a), (5), and (6)), may be utilized by authorized carriers under contracts, leases, or other arrangements applying for any period, upon completion of a movement in which such equipment is exempt from regulation by the Commission except as to qualifications and maximum hours of service of employees and safety of operations and standards of equipment, and is next being utilized by the authorized carrier in a loaded movement in any direction or in one of a series of loaded movements over reasonably direct routes in the direction of the general area in which the exempt movement originated, or in the direction of the area in which the equipment is based; provided the authorized carrier receives, prior to the execution of the lease, a statement signed by the owner of the equipment, or someone duly authorized to sign for the owner, authorizing the driver to lease the equipment for the return movement or movements, and a statement signed by the driver specifying the origin, destination, and the time of the beginning and ending of the last exempt movement.

(4) shall provide for the exclusive possession, control and use of the equipment, and for the complete assumption of responsibility in respect thereto, by the authorized carrier, as follows:

(i) For the duration of said contract, lease or other arrangement except the provision may be made therein for considering the lessee as the owner for the purpose of subleasing under these rules to other authorized carriers during such duration;

(ii) When entered into by authorized carriers of household goods, for the transportation of household goods, as defined by the Commission, during the period the equipment is operated by or for the authorized carrier, lessee;

(5) shall specify the compensation to be paid by the lessee for the rental of the leased equipment provided, however, that such compensation shall not be computed on the basis of any division or percentage of any applicable rate or rates on any commodity or commodities transported in said vehicle or on a division or percentage of any revenue earned by said vehicle during the period for which the lease is effective.

(6) Shall specify the time and date or the circumstances on which the contract, lease, or other arrangement begins, and the time or the circumstance on which it ends. The duration of the contract, lease, or other arrangement shall coincide with the time for the giving of receipts for the equipment, as required by paragraph (b) of this section; and

(7) Shall be executed in triplicate; the original shall be retained by the authorized carrier in whose service the equipment is to be operated, one copy shall be retained by the owner of the equipment, one copy shall be carried on the equipment specified therein during the entire period of the contract, lease, or other arrangement, unless a certificate as provided in paragraph (d) (2) of this section is carried in lieu thereof.

(b) *Receipts.* When possession of the equipment is taken by the authorized carrier or its regular employee or agent duly authorized to act for it, said carrier, employee or agent shall give to the owner of the equipment, or the owner's employee or agent, a receipt specifically identifying the equipment and stating the date and the time of day possession thereof is taken; and when the possession by the authorized carrier ends, it or its employee or agent shall obtain from the owner of the equipment, or its regular employee or agent duly authorized to act for it, a receipt specifically identifying the equipment and stating therein the date and the time of day possession thereof is taken.

(c) *Inspection of equipment.* It shall be the duty of the authorized carrier, before taking possession of equipment, to inspect the same or to have the same inspected by a person who is competent and qualified to make such inspection and has been duly authorized by such carrier to make such inspection as a representative of the carrier, in order to insure that the said equipment complies with parts 193 and 196 of the Motor Carrier Safety Regulations (Rev.), pertaining to "Parts and Accessories Necessary for Safe Operation," and "Inspection and Maintenance," and if explosives or other dangerous articles are to be transported thereon, further to inspect and check such vehicles or equipment to insure that they or it complies with Part 197 of the said safety regulations pertaining to "Safe Transportation of Explosives."

The person making the inspection shall certify the results thereof on a report in the form hereinafter set forth, which report shall be retained and preserved by the authorized carrier, and if his inspection discloses that the equipment does not comply with the requirements of the said safety regulations, possession thereof shall not be taken. In all instances in which the inspection required by this rule is made, the authorized carrier, if an individual, or a member of the copartnership if the authorized carrier is a copartnership, or one of the officials thereof if the authorized carrier is a corporation, shall certify on the inspection report that the person who made the inspection, whether an employee or person other than an employee, is competent and qualified to make such inspection and has been duly authorized by such carrier to make such inspection as a representative of such authorized carrier. When equipment other than a power unit is leased, a form of report applicable to such equipment may be used.

(d) *Identification of equipment.* The authorized carrier acquiring the use of equipment under this rule shall properly and correctly identify such carrier, during the period of the lease, contract, or other arrangement in accordance with the Commission's requirements in Ex Parte No. MC-41; Part 166, Identification of Motor-Carrier Vehicles. If a removable device is used to identify the authorized carrier as the operating carrier, such device shall be on durable material such as wood, plastic, or metal, and bear a serial number in the authorized carrier's own series so as to keep proper record of each of the identification devices in use.

(1) The authorized carrier operating equipment under these rules shall remove any legend showing it as the operating carrier, displayed on such equipment, and shall remove any removable device showing it as the operating carrier, before relinquishing possession of the equipment.

(2) Unless a copy of the lease, contract, or other arrangement is carried on the equipment, as provided in paragraph (a) (7) of this section, the authorized carrier or its regular employee or agent shall prepare a statement certifying that the equipment is being operated by it, which shall specify the name of the owner, the date of the lease, contract or other arrangement, the period thereof, any restrictions therein relative to the commodities to be transported, and the location of the premises where the original of the lease, contract or other arrangement is kept by the authorized carrier, which certificate shall be carried with the equipment at all times during the entire period of the lease, contract, or other arrangement.

(e) *Driver of equipment.* Before any person other than a regular employee of the authorized carrier is assigned to drive equipment operated under these rules, it shall be the duty of the authorized carrier to make certain that such driver is familiar with, and that his employment as a driver will not result in, violation of any provision of Parts 192, 193, 195, and 196 of the Motor Carrier Safety Regulations (Rev.) pertaining to "Driving of Motor Vehicles," "Parts and Accessories Necessary for Safe Operation," "Hours of Service of Drivers," and "Inspection and Maintenance," and to require such driver to furnish a certificate of physical examination in accordance with Part 191 of the Motor Carrier Safety Regulations (Rev.) pertaining to "Qualifications of Drivers," or, in lieu thereof, a photostatic copy

of the original certificate of physical examination, which shall be retained in the authorized carrier's file.

(f) *Record of use of equipment.* The authorized carrier utilizing equipment operated under these rules shall prepare and keep a manifest covering each trip for which the equipment is used in its service, containing the name and address of the owner of such equipment, the make, model, year, serial number, and the State registration number of the equipment, and the name and address of the driver operating the equipment, point of origin, the time and date of departure, the point of final destination, and the authorized carrier's serial number of any identification device affixed to the equipment. During the time that equipment subject to these regulations is operated there shall be carried with the equipment, bills of lading, waybills, freight bills, manifests, or other papers identifying the lading, which shall clearly indicate that the transportation of the property carried is under the responsibility of the authorized carrier, which papers, together with the truck manifest, shall be preserved by the authorized carrier.

§ 207.5 *Interchange of equipment.* Authorized common carriers may by contract, lease, or other arrangement, interchange any equipment defined in § 207.2 of these rules with one or more other such common carriers, or one of such carriers may receive from another such carrier, any of such equipment, in connection with any through movement of traffic, under the following conditions:

(a) *Agreement providing for interchange.* The contract, lease or other arrangement providing for interchange shall specifically describe the equipment to be interchanged; the specific points of interchange; the use to be made of the equipment and the consideration for such use; and shall be signed by the parties to the contract, lease, or other arrangement, or their regular employees or agents duly authorized to act for them, in the execution of such contracts, leases, or other arrangements.

(b) *Authority of carriers participating in interchange.* The certificates of public convenience and necessity held by the carriers participating in the interchange arrangement must authorize the transportation of the commodities proposed to be transported in the through movement, and service from and to the point where the physical interchange occurs.

(c) *Driver of interchanged equipment.* Except as provided in (1) hereof, each carrier must assign its own driver to operate the equipment that is proposed to be operated from and to the point or points of interchange and over the routes or within the territory authorized in the participating carriers' respective certificates of public convenience and necessity.

(1) Two or more common carriers, when engaged in the transportation of an article which, because of its size, weight, or shape, must be transported on a vehicle of special or unusual construction, may when transporting such article on such special or unusual vehicle, perform a through interchange service with such vehicle without a change of drivers at the point of interchange; and that, until March 1, 1956, such drivers may make the inspection required by § 207.5 (c) of these rules on behalf of any carrier party to such through movement.

(d) *Through bills of lading.* The traffic transported in interchange service must move on through bills of lading issued by the originating

carrier, and the rates charged and revenues collected must be accounted for in the same manner as if there had been no interchange of equipment. Charges for the use of the equipment shall be kept separate and distinct from divisions of the joint rates or the proportions thereof accruing to the carriers by the application of local or proportional rates.

(e) *Inspection of equipment.* It shall be the duty of the carrier acquiring the use of equipment in interchange to inspect such equipment, or to have it inspected in the manner provided in § 207.4 (c) of these rules, and equipment which does not meet the requirements of the safety regulations shall not be operated in the respective services of the interchange carriers until the defects have been corrected.

(f) *Identification of equipment.* The authorized carriers operating equipment in interchange service under this section shall carry with each vehicle so operated a copy of the contract, lease, or other arrangement while the equipment is being operated in the interchange service. Authorized carriers operating power units in interchange service shall identify such equipment in accordance with the Commission's requirements in Ex Parte No. MC-41, Part 166, Identification of Motor Carrier Vehicles.

(g) *Through movement involving more than two carriers.* For the purpose of this rule, a lessee of equipment on a through movement involving more than two carriers, shall be considered the owner of the equipment for the purpose of leasing the equipment for movement to destination or for return to the originating carrier.

§ 207.6 *Rental of equipment to private carriers and shippers.*

(a) *Renting equipment with drivers.* Unless such service is specified in their operating authorities, authorized carriers shall not rent equipment with drivers to noncarriers.

(b) *Rental of equipment without drivers.* Authorized common carriers shall not rent equipment without drivers to noncarriers.

REPORT OF VEHICLE INSPECTION

Description of vehicle: Make _____ Year _____
 Model _____ Serial No. _____
 Type: Tractor _____ Trailer _____ Semitrailer _____
 License plate: No. _____ State _____
 Owner's name _____
 Name of authorized carrier _____

Indicate in the proper column the result of the inspection of each item listed.

Item	Not defective	Defective	Description of defect
Body.....			
Brakes.....			
Cooling system.....			
Drive line.....			
Emergency equipment.....			
Engine.....			
Exhaust.....			
Fuel system.....			
Glass.....			
Horn.....			
Leaks.....			
Lights (state which).....			
Reflectors.....			
Speedometer.....			
Springs.....			
Steering.....			
Tires.....			
Wheels.....			
Windshield wiper.....			
Any other items requiring attention.....			

I hereby certify that on the _____ day of _____ I carefully inspected the equipment described above and that this is a true and correct report of the result of such inspection.

(Signature of person making inspection)

I hereby certify that on the date stated above the person who made the inspection covered by this report was competent and qualified to make such inspection and was duly authorized to make such inspection as a representative of

(Name of authorized carrier)

Date: -----

(Signature of authorized carrier or co-partner or officer of authorized carrier)

TITLE 49—TRANSPORTATION

CHAPTER I—INTERSTATE COMMERCE COMMISSION

Subchapter B—Carriers by Motor Vehicle

PART 207—LEASE AND INTERCHANGE OF VEHICLES

Ex Parte No. MC-43

LEASE AND INTERCHANGE OF VEHICLES BY MOTOR CARRIERS

At a General Session of the Interstate Commerce Commission, held at its office in Washington, D. C., on the 23d day of January A. D. 1956:

It appearing, That by orders entered herein on February 2, 1955, and November 15, 1955, certain sections, or parts of certain sections of the rules prescribed in the above-entitled proceeding by order of May 8, 1951, as subsequently amended, or the applicability of the rules, or sections thereof, to specified groups of authorized carriers, were to become effective on March 1, 1956;

It further appearing, That it is desirable in the public interest to further defer the effective date from March 1, 1956, to July 1, 1956:

It is ordered, That the order entered in this proceeding on May 8, 1951, as subsequently modified, be, and it is hereby, further modified so as to make effective July 1, 1956, instead of March 1, 1956—

(1) the provision of section 207.4 (a) (3) which requires that any contract, lease, or other arrangement for the use of equipment shall specify a period “which shall not be less than 30 days”;

(2) that part of section 207.4 (a) (5) reading: “* * * *Provided, however*, That such compensation shall not be computed on the basis of any division or percentage of any applicable rate or rates on any commodity or commodities transported in said vehicle or on a division or percentage of any revenue earned by said vehicle during the period for which the lease is effective.”

(3) section 207.5 (c) which requires that drivers be changed at the point of interchange of vehicles on joint-line movements, only insofar as the same applies to authorized carriers by motor vehicle of passenger automobiles, commercial trucks, busses, and related vehicle traffic, and of perishable commodities in refrigerated equipment;

(4) that portion of section 207.5 (c) (1) immediately following the semicolon therein, relating to drivers of special equipment used to transport articles or commodities, which, because of their size, weight, or shape, require the use of special equipment, and reading “and that, until March 1, 1956, such drivers may make the inspection required by section 207.5 (e) of these rules and regulations on behalf of any carrier party to the through movement”; and

(5) all of the rules insofar as they apply to authorized carriers of household goods as defined by the Commission.

By the Commission.

[SEAL]

HAROLD D. MCCOY, *Secretary*.

APPENDIX C

DEPARTMENT OF AGRICULTURE,
Washington 25, D. C., May 11, 1956.

HON. J. PERCY PRIEST,

*Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives.*

DEAR MR. PRIEST: Under date of April 2, 1956, you submitted to the Department for comment a bill, S. 898, which passed the Senate March 28, 1956, and is now in the House of Representatives for consideration. This bill amends the Interstate Commerce Act with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

The Department supported the original bill, S. 898, because, while authorizing the Commission to prescribe certain rules and regulations with respect to the leasing of motor vehicles, it also provided that the Commission should not regulate the duration of any such lease,

contract or other arrangement for the use of such motor vehicle or the amount of compensation to be paid therefor.

We supported the original bill because it would permit farmers' trucks, cooperatives' trucks, and those trucks exempt from regulations under section 203 (b) (6) of the Interstate Commerce Act to be leased by the operator to an authorized carrier for movement back in the direction of the operator's base. This flexibility of movement by the operators of motortrucks who supply the greatly needed equipment during harvest seasons is conducive to the expeditious, efficient, and economical distribution of agricultural and food products by minimizing wasteful empty return movement.

We believe S. 898, as passed by the Senate, was intended to accomplish this objective. However, subparagraph (1) of paragraph (f) is subject to varying interpretations and we believe clarification is desirable. For example, the word "regularly" on line 11, page 3, might well be interpreted to imply regularity in the sense of scheduled movement, whereas we believe the concept "in the regular course of business" to be more in keeping with the intent of the act.

We also have some concern as to whether the qualifying language on line 11, page 3, after "(a) (17)," is intended to refer to farmer-owned and cooperatively owned vehicles as well as private carriers. The removal of the comma following "(a) (17)" would be desirable to make it clear that the qualifying language refers only to private carriers.

The use of the term "processed" in line 12, page 3, suggests the possibility that commodities which have undergone some processing, such as the removal of cottonseed from cotton, may not be intended to be included in the phrase "products of the character referred to in section 203 (b) (6)." Also the phrase "processed or manufactured perishable commodities" in line 12 may be too restrictive. For example, this may not permit trip-leasing following a movement of canned food and perhaps other food products by a private carrier. If thus restrictively interpreted, this language may limit the economies desirable in marketing such commodities.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE, *Acting Secretary.*

THE SECRETARY OF COMMERCE,
Washington 25, D. C., May 17, 1956.

HON. J. PERCY PRIEST,
*Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D. C.*

DEAR MR. CHAIRMAN: This letter is in reply to your request of April 2, 1956, for the views of this Department with respect to S. 898, an act to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

Subsection 204 (e), which would be added by the act, authorizes the Commission, subject to the provisions of subsection (f), to pre-

scribe regulations requiring that leases, contracts, or other arrangements shall (1) be in writing, (2) be signed by the parties thereto, (3) specify the period during which they shall be in effect, and (4) specify the compensation to be paid by the motor carrier, and requiring that a copy of such lease shall be carried in each vehicle covered thereby. The Commission is authorized also to prescribe such other regulations as may be reasonably necessary to assure that motor carriers will have full direction and control of vehicles while they are being used under such leases, and will be fully responsible for the operation thereof in accordance with applicable law and regulation, as if they were the owners of the vehicles. Requirements prescribed by or under the provisions of part II with respect to safety of operation and equipment and inspection are specifically included within the meaning of applicable law and regulation. Under these requirements, the Commission's authority includes but is not limited to the promulgation of regulations requiring liability and cargo insurance covering all such equipment.

Subsection 204 (f) serves to exclude from the Commission's powers under part II the authority to regulate the duration of such leases, contracts, or other arrangements for the use of certain specified classes of motor vehicles, with drivers, or the amount of compensation to be paid for such use thereof. The specified classes of motor vehicles are—

(1) motor vehicles controlled and operated by any farmer when used in the transportation of his agricultural (including horticultural) commodities or products thereof or in the transportation of supplies to his farm sec. (203 (b) (4a));

(2) motor vehicles controlled and operated by a cooperative association as defined in the Agricultural Marketing Act, approved June 15, 1929, as amended, or by a federation of such cooperative associations, if such federation possesses no greater powers or purposes than cooperative associations so defined (sec. 203 (b) (5));

(3) motor vehicles of private carriers of property by motor vehicle, as defined by section 203 (a) (17) used regularly in the transportation of processed or manufactured perishable commodities or commodities referred to in section 203 (b) (6) [ordinary livestock, fish (including shellfish), or agricultural (including horticultural) commodities (not including manufactured products thereof)];

where any of the vehicles described in (1), (2), and (3) above are to be used in a single movement or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which it is based; and

(4) motor vehicles used in carrying property consisting of ordinary livestock, fish (including shellfish), or agricultural (including horticultural) commodities (not including manufactured products thereof), if such motor vehicles are not used in carrying any other property, or passengers, for compensation, where such vehicle is next to be used in a loaded movement in any direction, and/or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which the vehicle is based.

As introduced, S. 898 would have denied to the Commission authority to regulate the duration of any such lease, or the amount of compensation to be paid therefor. As passed by the Senate, S. 898 would deny to the Commission such authority only with respect to certain operations of specified classes of motor vehicles engaged in transporting agricultural commodities and products derived therefrom.

The Department of Commerce in a letter dated June 16, 1955, to the chairman, Senate Committee on Interstate and Foreign Commerce, recommended against the enactment of S. 898 as introduced. The reasons stated by the Department were that (1) the grant of authority to control leasing practices was in fact not a grant at all, for the Supreme Court has held that the authority is already available, and (2) the prohibitions against the prescription of the duration of leases and the amount of compensation would unduly impair the Commission's discretion in dealing with the serious problems that exist as a result of the widespread trip leasing.

As S. 898 was reported to the Senate by the Committee on Interstate and Foreign Commerce, it would have prevented the Commission from prescribing regulations against trip leasing by all private carriers. However, it was amended on the floor of the Senate so as to bar such regulations only in the case of a motor vehicle used regularly by a private carrier for transporting processed or manufactured perishable commodities or section 203 (b) (6) commodities. This action was in accord with the general philosophy of S. 898 to provide for the special transportation needs of farmers and agricultural interests. It also recognized that uncontrolled trip leasing by private carriers poses a serious threat to the common carrier industry.

Although this Department still believes that this legislation is not required to assure proper regulation of leasing arrangements, with appropriate relief to agricultural transportation, and that general authority for the Commission to regulate leasing is preferable, it would not interpose any objection to enactment of S. 898, if the provision relating to private carriers were deleted. This provision is inconsistent with the purpose expressed in H. R. 6141 and H. R. 6142, implementing recommendations of the President's Advisory Committee Report on Transport Policy and Organization, to strengthen the common carrier industry. However, if the Congress believes that the benefits to agricultural marketing resulting from the provision outweigh possible adverse effects to the common carrier industry, the language in the provision reading "processed or manufactured perishable commodities" should be clarified so as to remove any doubts concerning the character of the agricultural transportation intended to be covered thereby.

The Bureau of the Budget advised us there is no objection to the submission of this report to your committee.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

INTERSTATE COMMERCE COMMISSION,
OFFICE OF THE CHAIRMAN,
Washington 25, May 10, 1956.

Hon. J. PERCY PRIEST,

*Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington 25, D. C.*

DEAR CHAIRMAN PRIEST: Your letter of April 2, 1956, addressed to the Chairman of the Commission and requesting a report and comments on S. 898, to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property, has been given careful consideration by the Commission, and I am authorized to submit the following comments:

As originally introduced in the Senate, S. 898 was identical to H. R. 6873, on which the Commission reported to you by letter dated July 20, 1955. In that letter we discussed at some length the reasons which impelled the Commission to adopt rules and regulations respecting the lease and interchange practices of authorized motor carriers subject to our jurisdiction. We pointed out that the bill would specifically deprive the Commission of authority to regulate the duration of, and the compensation to be paid under, any lease, contract, or other arrangement for the use of any motor vehicle by a motor carrier, the exercise of which authority was upheld by the Supreme Court on January 12, 1953, in *American Trucking Associations, Inc. v. United States* (344 U. S. 298).

As passed by the Senate on March 28, 1956, S. 898 would amend section 204 of the Interstate Commerce Act by adding at the end thereof a new subsection (e) which would specifically authorize the Commission to prescribe, with respect to the use by motor carriers of motor vehicles not owned by them, regulations requiring that any lease, contract, or other arrangement for the use of such vehicles shall be in writing and signed by the parties thereto, shall specify the period during which it is to be in effect and the compensation to be paid by the motor carrier, and that a copy thereof shall be carried in each motor vehicle covered thereby during the entire period of any such lease, contract, or other arrangement. The Commission would also be specifically authorized to prescribe such other regulations as may be reasonably necessary to assure that the authorized carriers will have full direction and control of such motor vehicles while being so used, and that they will be fully responsible for the operation thereof in accordance with applicable law and regulations, including the requirements prescribed by the Commission with respect to safety of operations and equipment. The Commission would be specifically prohibited, however, from regulating the duration of the lease of such motor vehicle, with driver, or the amount of compensation, to be paid for such use, (1) where the truck is that of a farmer, an agricultural cooperative, or an association of agricultural cooperatives, or is that of a "private carrier of property by motor vehicle as defined in section 203 (a) (17), and is used regularly in the transportation of processed or manufactured perishable commodities or products of the character referred to in section 203 (b) (6)" and is to be used by a regulated motor carrier for the transportation of nonexempt freight in the general direction of the general area in which such motor vehicle is based;

or (2) where the motor vehicle has completed a movement covered by section 203 (b) (6) and is next to be used in a loaded movement in any direction and/or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based.

As stated in our letter of July 20, 1955, commenting on H. R. 6873, the affirmative grants of authority on the proposed measure are actually no grants of authority at all, since the Supreme Court has held that the Commission already has such power. Such specific grants of authority may, therefore, even hinder our efforts to cope with this problem in the future if the courts should interpret the specific enumerations of the matters which we may regulate as a congressional intent that we have no authority to deal with the problem in any other way.

The present leasing regulations adopted by the Commission which are now scheduled to become effective on July 1, 1956, prohibit a motor carrier from leasing a truck, with driver, for less than 30 days, except that equipment specified in section 203 (b) (4a), (5), or (6) may be leased, upon completion of a movement in which such equipment is exempted from regulation by such sections, for a shorter period for a single movement in any direction or for a series of movements over reasonably direct routes in the direction of the general area in which the exempt movement originated, or in the direction of the area in which the equipment is based.

S. 898, as passed by the Senate, differs from the regulations adopted by the Commission in that it would prohibit the Commission from fixing the minimum term of a lease of equipment of a private carrier of property as defined in section 203 (a) (17) which is used regularly in the transportation of processed or manufactured perishable commodities or products of the character referred to in section 203 (b) (6) of the act. This would permit the trip leasing of trucks of private carriers of certain manufactured commodities, but would not place any restriction upon the Commission's authority to prohibit the trip leasing of equipment of private carriers of unmanufactured exempt commodities. In view of the discussion on the Senate floor when this provision was under consideration, it would not appear that this was intended. It was intended, apparently, to permit the trip leasing of trucks of private carriers of exempt commodities and of trucks of private carriers of perishable processed or manufactured commodities of the nature referred to in section 203 (b) (6) of the act. This intent, we believe, would be more definitely stated if proposed section (f) (1), page 3 of the bill, were amended to read as follows (suggested new language in italics; language to be deleted shown in brackets):

(1) Where the motor vehicle so to be used is that of a farmer or of a cooperative association or a federation of cooperative associations, as specified in section 203 (b) (4a) or (5), or is that of a private carrier of property by motor vehicle as defined in section 203 (a) (17), and is used regularly in the transportation of *commodities of the character referred to in section 203 (b) (6), or of perishable processed or manufactured products of such character* [processed or manufactured perishable commodities or products of the character referred to in section 203 (b) (6)] and such motor vehicle is to be used by the motor carrier in a single movement or in one or more of a series of movements, loaded or empty,

in the general direction of the general area in which such motor vehicle is based; or

The views stated in our letter of July 20, 1955, commenting on H. R. 6873, still represent the views of the Commission respecting the placing of statutory restrictions upon its authority to prescribe rules and regulations governing the duration of, and the compensation to be paid under, any lease, contract, or other arrangement for the use by an authorized carrier of any motor vehicle, with driver, not owned by it. S. 898, as passed by the Senate, would enlarge the scope of competition between private and common carriers by encouraging greater utilization of private transportation by shippers. This is contrary to the proposals of the Cabinet Committee in this respect. It is a basic policy question for Congress to determine.

Respectfully submitted.

ANTHONY ARPAIA, *Chairman.*

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., May 29, 1956.

HON. J. PERCY PRIEST,
*Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D. C.*

MY DEAR MR. CHAIRMAN: This is in reply to your letter of April 2, 1956, requesting the views of this Office with respect to S. 898, a bill to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

The Secretary of Commerce and the Chairman of the Interstate Commerce Commission in the reports they are making to your committee on this bill raise a number of problems. Of particular concern is the exemption from trip-leasing regulations for the private carrier of property by motor vehicle as defined in section 203 (a) (17) of the Interstate Commerce Act and the effect such an exemption would have on the motor common carrier. However, both agencies recommend, if your committee finds that S. 898 is desirable, that the language on page 3, lines 11 to 13, which qualifies the exemption for private carriers be clarified.

The Bureau of the Budget believes that your committee will wish to give serious consideration to the problems presented in these reports. In any event, this Office believes that clarifying language along the lines suggested by the Chairman of the Interstate Commerce Commission in his report would be desirable.

Sincerely yours,

A. R. JONES, *Deputy Director.*

○

Union Calendar No. 945

84TH CONGRESS
2D SESSION

S. 898

[Report No. 2425]

IN THE HOUSE OF REPRESENTATIVES

MARCH 29, 1956

Referred to the Committee on Interstate and Foreign Commerce

JUNE 25, 1956

Reported with amendments, committed to the Committee of the Whole House
on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

AN ACT

To amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 204 of the Interstate Commerce Act, as
4 amended (49 U. S. C., sec. 304), is amended by adding
5 at the end thereof the following subsection:

6 “(e) Subject to the provisions of subsection (f) hereof,
7 the Commission is authorized to prescribe, with respect
8 to the use by motor carriers (under leases, contracts,

1 or other arrangements) of motor vehicles not owned by
2 them, in the furnishing of transportation of property—

3 “(1) regulations requiring that any such lease, con-
4 tract, or other arrangement shall be in writing and be
5 signed by the parties thereto, shall specify the period
6 during which it is to be in effect, and shall specify the
7 compensation to be paid by the motor carrier, and re-
8 quiring that during the entire period of any such lease,
9 contract, or other arrangement a copy thereof shall be
10 carried in each motor vehicle covered thereby; and

11 “(2) such other regulations as may be reasonably
12 necessary in order to assure that while motor vehicles
13 are being so used the motor carriers will have full direc-
14 tion and control of such vehicles and will be fully re-
15 sponsible for the operation thereof in accordance with
16 applicable law and regulations, as if they were the
17 owners of such vehicles, including the requirements pre-
18 scribed by or under the provisions of this part with
19 respect to safety of operation and equipment and in-
20 spection thereof, which requirements may include but
21 shall not be limited to promulgation of regulations re-
22 quiring liability and cargo insurance covering all such
23 equipment.

24 “(f) Nothing in this part shall be construed to authorize
25 the Commission to regulate the duration of any such lease,

1 contract, or other arrangement for the use of any motor
2 vehicle, with driver, or the amount of compensation to be
3 paid for such use—

4 “(1) where the motor vehicle so to be used is that
5 of a farmer or of a cooperative association or a federa-
6 tion of cooperative associations, as specified in section
7 203 (b) (4a) or (5), or is that of a private carrier
8 of property by motor vehicle as defined in section 203
9 (a) ~~(17)~~, (17) and is used regularly in the trans-
10 portation of ~~processed or manufactured perishable com-~~
11 ~~modities or products of the character referred to in sec-~~
12 ~~tion 203 (b) (6)~~ *property of a character embraced*
13 *within section 203 (b) (6) or perishable products man-*
14 *ufactured from perishable property of a character em-*
15 *braced within section 203 (b) (6)*, and such motor
16 vehicle is to be used by the motor carrier in a single
17 movement or in one or more of a series of movements,
18 loaded or empty, in the general direction of the general
19 area in which such motor vehicle is based; or

20 “(2) where the motor vehicle so to be used is one
21 which has completed a movement covered by section
22 203 (b) (6) and such motor vehicle is next to be used
23 by the motor carrier in a loaded movement in any direc-
24 tion, and/or in one or more of a series of movements.

1 loaded or empty, in the general direction of the general
 2 area in which such motor vehicle is based."

Passed the Senate March 28 (legislative day, March
 26), 1956.

Attest:

FELTON M. JOHNSTON,

Secretary.

Union Calendar No. 945

84TH CONGRESS
 2d Session

S. 898

[Report No. 2425]

AN ACT

To amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

MARCH 29, 1956

Referred to the Committee on Interstate and Foreign
 Commerce

JUNE 25, 1956

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

July 2, 1956

SURPLUS COMMODITIES.

16. S. 3903, to increase the amount under title 1 of the Agricultural Trade Development and Assistance Act, was made the unfinished business. pp. 10440, 10485
17. CCC BORROWING POWER. Sen. Ellender urged prompt consideration of S. 3820, to increase the borrowing power of CCC. p. 10440

HOUSE

18. RECLAMATION. Conferees were appointed on S. 1622, to authorize the Secretary of the Interior to make payment for certain improvements located on public lands in the Rapid Valley unit, S. Dak., of the Missouri River Basin project. Senate conferees were appointed on June 29. p. 10499
19. WATERSHEDS. Passed without amendment H. R. 11873, to decrease the Congressional review period of projects under the Watershed Protection and Flood Prevention Act from 45 days to 15 days. p. 10515
20. PENALTY MAIL. Passed as reported S. 1871, to extend the penalty mail Act to Extension Directors and Experiment Stations. p. 10509
21. POSTAL RATES. Agreed to a resolution providing for the consideration of H. R. 11380, to readjust postal rates and to establish a congressional policy for the determination of postal rates. p. 10546
22. FOREIGN AID. Conferees were appointed on H. R. 11356, the mutual security bill. Senate conferees were appointed June 29. p. 10533
23. LAND TRANSFERS. Passed as reported H. R. 8817, to provide for the transfer of certain lands to Corbin, Ky. p. 10514
The Agriculture Committee reported without amendment H. R. 9678, to provide for the transfer of the Baronof Castle site (formerly research land) to Sitka, Alaska (H. Rept. 2571). p. 10561
The Forests Subcommittee of the Agriculture Committee ordered reported to the full committee H. R. 11895, to authorize the interchange of lands between the USDA and the military departments of the Defense Department. p. D726
24. FORESTRY. Passed without amendment H. R. 9339, to authorize the exchange of certain lands in Union County, Ga. for lands within the Chattahoochee National Forest, Ga. p. 10514
The Agriculture Committee reported without amendment S. 2517, to release certain Tongass National Forest receipts from escrow (H. Rept. 2568). p. 10561
25. MILK. Passed without amendment H. R. 11375, to further extend the special school milk program to certain institutions for the care and training of children whether or not underprivileged. p. 10515
26. SEED. Passed without amendment S. 1688, to remove the criminal penalty for inadvertent violations of the Federal Seed Act and to prescribe civil penalties for such violations of the Act. This bill is now ready for the President. p. 10516
27. COMMODITY EXCHANGES. Passed as reported H. R. 9333, to give to certain consuming processors of cotton the privilege of buying cotton futures contracts in certain cases. p. 10516
28. TRANSPORTATION. At the request of Rep. Ford, after some discussion, passed over S. 898, to amend the Interstate Commerce Act, with respect to the authority of

the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property. p. 10512

29. CONTRACTS. The Ways and Means Committee reported on June 30 with amendment H.R. 11947, to extend and amend the Renegotiation Act of 1951 (H. Rept. 2549). p. 10560
30. SOIL CONSERVATION. The Agriculture Committee reported without amendment H. R. 8321, to further extend the period of Federal administration of the ACP program from Jan. 1, 1957 to Jan. 1, 1959 (H. Rept. 2570). p. 10561
31. PERSONNEL. Passed without amendment S. 1542, to authorize an allowance for civilian officers and employees of the Government who are notaries public. This bill is now ready for the President. p. 10508
At the request of Rep. Gross, passed over S. 1815, to permit the exchange of employees of the USDA and employees of State-local political subdivisions or educational institutions. p. 10515
Passed without amendment H. R. 11923, to provide for the conferring of an award to be known as the Medal for Distinguished Civilian Achievement. p. 10519
The Executive and Legislative Reorganization Subcommittee of the Government Operations Committee ordered reported to the full committee H. R. 11515, to provide for the payment of travel and transportation costs of persons selected for appointment to certain positions in the U. S. and Alaska. p. D726
32. RECORDS. At the request of Rep. Cunningham, passed over S. 2364, to clarify GSA authority over records management. p. 10499
33. WATER PLANTS. Passed without amendment H. R. 11636, to amend Chapter 3 of Title 18, U. S. Code, to provide penalties for the transportation, sale of, or advertising for sale, in interstate commerce, of water hyacinth plants, water chestnut plants, or alligator grass. p. 10505
34. BUILDINGS. Passed without amendment S. 3866, to facilitate the making of lease purchase agreements by GSA by deleting the requirement for approval of purchase contract agreements by the Director of the Bureau of the Budget and adding a requirement that the project statement by the Director shall be based on budgetary and related considerations, and not deemed to constitute approval of specific terms or provisions of any proposed agreement or of the selection of any particular contractor or lessor. This bill is now ready for the President. p. 10510.
35. WEATHER. Passed without amendment S. 2913, to extend for two years (until June 30, 1958) the Advisory Committee on Weather Control. This bill is now ready for the President. p. 10510
36. RESEARCH; ORGANIZATION. Passed without amendment H. R. 11575, to provide for an Assistant Secretary for Research and Development for each of the three military departments within the Defense Department. p. 10524
37. FLOOD CONTROL. Passed with amendment S. 3272, to increase and make certain revisions in the general authorization for small flood control projects. A similar bill, H. R. 9555, was laid on the table. p. 10529

or group which is organized under any of such laws."

With the following committee amendments:

Page 2, line 5, strike out "abstracts, purloins."

Page 2, line 14, strike out "abstracted, purloined."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

AIRCRAFT ACCIDENTS

The Clerk called the bill (H. R. 6805) to prohibit in any lawsuit or action for damages the use and admission as evidence of investigations by the military departments of aircraft accidents conducted in the interest of air safety.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, it seems to me that this bill would limit the right of individuals to go into court in cases involving an airplane accident where the Army, Navy, or any other Defense Department plane is involved and to have produced in court evidence of any investigation made by the Department of Defense or a component part thereof. I would like to know if my understanding is correct?

Mr. CELLER. That is correct. I think there is a real reason for it. If I may be privileged to read a part of the report, it says that the purpose of this legislation is to prohibit in a lawsuit or action for damages the use and admission as evidence of investigations by the military establishments of aircraft accidents involving military aircraft conducted in the interest of safety and air navigation.

If you were to permit the disclosure as evidence in any private lawsuit all the data that might be developed in these investigations, you would make it very difficult to conduct these investigations in the interest of air safety. The testimony was to the effect that it would greatly impede these investigations if those who appeared would subsequently have their opinions and their conclusions developed in a private lawsuit. It would impede the Military Establishment in conducting these safety investigations.

Mr. McCORMACK. What about the case of an Army truck or anything else?

Mr. CELLER. This applies only to aircraft.

Mr. McCORMACK. I know, but the same principle applies. If a person is flying in an airplane operated by any company and an Army plane hits it and that person is either injured or killed and there is an investigation of the accident, do you mean to say the plaintiff in a later suit could not be permitted to subpoena any data or information?

Mr. CELLER. I will say I believe the gentleman is in error. I do not mean to be disrespectful. In that sort of investigation, certainly that information can be used in a private lawsuit. But,

there is superimposed the requirement to investigate to determine whether or not such action could be prevented in the future. As to that, there would be no possibility of needing that information, or you would not have the right to delve into that second investigation. As to the first, that you spoke of, however, there would be no prohibition whatsoever.

Mr. McCORMACK. Of course, any evidence that is admissible would have to be germane and pertinent. Of course, any evidence of an investigation which is held would not be admitted if objection was made unless germane and admissible. I would like to look this bill over further.

Mr. CRUMPACKER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CRUMPACKER. A specific example of what is involved took place in northern Indiana about 2 years ago, when an American Air Lines plane and a United Air Line plane collided in mid-air. Neither was damaged seriously, and they both managed to get to the ground safely. The crews of those planes have refused to testify at all as to any of the circumstances surrounding the mid-air collision for fear of incriminating themselves. If they had been protected by this kind of a measure the testimony they might have given could have led to information as to how the collision occurred and such information could possibly have led to the adoption of safety precautions which might have prevented the serious accident that occurred over the weekend.

Mr. McCORMACK. This bill would not apply to that case.

Mr. CRUMPACKER. It is a very similar situation. The military investigate their aircraft accidents for several purposes, one of which is flight safety. Where the personnel involved are not protected from possible self-incrimination as a result of the testimony they give to the air safety investigation, they will not feel free to testify.

Mr. McCORMACK. That is no reason why innocent persons should be compelled to suffer. Someone is injured, and if I bring a suit for a plaintiff for an accident caused by an Army truck, for instance, I can subpoena the records of the Defense Department or the Department of the Army, or whatever it is. That does not mean all records. It is those that are admissible in evidence in a trial.

Mr. CELLER. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CELLER. Usually there are 2 investigations; 1 to determine negligence, if there had been any. There is usually a second investigation concerning the safety; and, as to that, this bill would make that investigation impervious to private scrutiny or to private lawsuits.

Mr. McCORMACK. It seems to me that this bill is imposing further security.

Mr. CRUMPACKER. Will the gentleman yield further?

Mr. McCORMACK. Yes, I yield.

Mr. CRUMPACKER. The committee specifically amended the bill to require

the armed services to conduct an investigation into negligence involved, if any civil action could possibly result from the accident, and to make the results of such investigation available to possible litigants. In that respect this legislation would greatly improve the situation of potential litigants and make it much easier for them to secure evidence to support their claims.

Mr. McCORMACK. I am very jealous of protecting the rights of individuals, and so are all my other colleagues. But with my experience of many years as a lawyer, if I brought suit against the Government, where there was an airplane accident involved, this bill might seriously interfere with my client getting justice.

I am not making a decision on the bill today, but I think it is one that should be looked into very carefully, because it seems to me there are many implications involved in this bill that should be considered.

Mr. CELLER. Mr. Speaker, will the gentleman yield further?

Mr. McCORMACK. I yield to the gentleman.

Mr. CELLER. I think if the gentleman will read this bill—

Mr. McCORMACK. I have read it carefully, I can assure the gentleman.

Mr. CELLER. I am sure the gentleman will find we are very anxious to protect the individual and provide that there must be an investigation by the Military Establishment to determine negligence.

Mr. McCORMACK. I am not so sure about that. I know the gentleman's fine intent, having served with him for years; but we are all human, and even committees can make mistakes; I do not say they have in this case, but I think the membership ought to have an opportunity to look into this bill further.

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MANETTE BRIDGE, BREMERTON, WASH.

The Clerk called the bill (S. 2712) to authorize the charging of tolls for transit over the Manette Bridge in Bremerton, Wash.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any provision to the contrary contained in the act entitled "An act granting the consent of Congress to W. E. Buell, of Seattle, Wash., to construct a bridge across Port Washington Narrows within the city of Bremerton in the State of Washington," approved June 14, 1926 (44 Stat. 744), authority is hereby granted to the Washington Toll Bridge Authority as an agency of the State of Washington to fix and charge tolls over the bridge constructed pursuant to such act (hereinafter referred to as the "Manette Bridge").

SEC. 2. The rates of the tolls authorized by the first section of this act shall be so adjusted that the amounts collected from the tolls on the Manette Bridge, together with the amounts collected from the tolls imposed on not more than one additional

bridge hereafter to be constructed by such authority adjacent to the Manette Bridge and across Port Washington Narrows from within the city of Bremerton, Wash., will provide (a) a fund sufficient to pay the cost of the maintenance and operation of both such bridges, and (b) a sinking fund sufficient to amortize the cost of reconstructing and improving the Manette Bridge and of constructing such additional bridge and the approaches thereto, including interest and financing costs, within a period of not more than 30 years after the date such reconstruction, or construction and improvement is commenced, whichever first occurs. After there has been collected from such tolls an amount sufficient to provide such funds, the bridges shall be maintained and operated free of tolls.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE BETWEEN LUBEC, MAINE, AND CAMPOBELLO ISLAND, NEW BRUNSWICK, CANADA

The Clerk called the bill (S. 3527) authorizing the State Highway Commission of the State of Maine to construct, maintain, and operate a free highway bridge between Lubec, Maine, and Campobello Island, New Brunswick, Canada.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the State Highway Commission of the State of Maine is authorized to construct, maintain, and operate a free highway bridge and approaches thereto, at a point suitable to the interests of navigation, across the waters between Lubec, Maine, and Campobello Island, New Brunswick, Canada, so far as the United States has jurisdiction over such waters. Such construction, maintenance, and operation shall be in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and shall be subject to the conditions and limitations contained in this Act and to the approval of the proper authorities of the Government of Canada.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING INTERSTATE COMMERCE ACT RELATING TO MOTOR CARRIERS

The Clerk called the bill (S. 898) to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

Mr. FORD. Mr. Speaker, reserving the right to object, this legislation, if I recall correctly, was passed in the House several years ago but no action was taken in the other body. We now find that during this term of Congress affirmative action has been taken in the other body and the bill is now before us for consideration.

It is my recollection that there has been some controversy about the legis-

lation. It is important legislation not only affecting agriculture but also the transportation industry. I would like to ask the author of the bill or someone from the committee whether they feel that this is the kind of legislation that should be on the Consent Calendar.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield.

Mr. ASPINALL. Unless there is some special circumstance surrounding the consideration of this bill which necessitates its being on the Consent Calendar, it is not the type of bill that comes within the jurisdiction of the committee on which the gentleman and I serve. Is that correct?

Mr. FORD. That is my understanding.

Mr. ASPINALL. Because of its importance I think we should have it brought to the floor under different circumstances.

Mr. FORD. I would like to see the bill come to the floor under a rule or under some other parliamentary procedure. This bill has so many implications that I do not think it should be on the Consent Calendar. The gentleman from Arkansas [Mr. HARRIS] is an authority on this bill. I would like to get his reaction.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. FORD. I gladly yield to the gentleman from Arkansas.

Mr. HARRIS. I hope the gentleman does not object to this bill. There is real need for this legislation. I may say that this is not a new matter for the consideration of the House and the Congress. The trip leasing controversy arose several years ago, I believe as far back as 1948.

The Interstate Commerce Commission has proposed an order which will seriously affect the transportation of farm products to the consuming areas. This problem came to a head in the last Congress, the 83d Congress, and the House, after considerable debate and consideration, passed a bill which had for its purpose clearing up this problem which the ICC felt they should impose at that time. The bill, however, was not as restrictive as the one we have before us now. There were a good many organizations interested in it then and the controversy was rather sharp. Over the period of time since then we have endeavored to work this issue out as satisfactorily as possible.

I can say to the gentleman that after a great deal of painstaking consideration our committee has worked out this bill to the complete satisfaction to everyone interested in the problem, with the exception of a few private carriers. We are faced with their problem and which is the only issue that cannot be resolved. I must state in all frankness that the other body which failed to concur in our action in the last Congress has finally agreed to the terms of a bill in which it will only support. In fact, this bill passed the Senate in the way it can be accepted. We then worked it out, clarified it in our committee to accomplish the purpose intended; it takes care of everything raised in con-

nection with this problem, with the exception of the private carrier group. That is a group, of course, that will never be permitted to trip lease promiscuously all over the country in continued abuses developed over the years.

Yesterday the order of the ICC was to become effective. If this bill is not passed then trip leasing is going to be nullified by order of the ICC. The farmers of this country are going to have to labor under adverse conditions and circumstances and will not have the advantage of reduced cost for transporting their product to the consuming public. I therefore implore the gentleman to let this important bill go through because we have worked long and hard on it, and it is necessary in the interest of the farmer and the consuming public.

Mr. FORD. I recall the gentleman's speech several years ago when he, and I think properly, condemned the ICC for its action in reference to this problem. I have a great deal of faith in the gentleman's understanding and knowledge of the problem and his desire to straighten out the situation as it currently exists. I am concerned, however, over several things. Turning to page 3 of the bill, if I read that language correctly, it indicates that the House committee has not agreed to concur in the Senate amendments but instead has written an amendment which is a substitution for the Senate language. Does the House language materially change the Senate language? What is the intent?

Mr. HARRIS. The House language clarifies the language of the Senate bill. It does not change the intent and purpose at all. I certainly would not want to cast and reflection at all on the language adopted by the other body; but there were 2 or 3 things about their language which made us apprehensive it would not accomplish what was intended. We discussed the situation for clarity purposes with counsel for the Interstate and Foreign Commerce Committee over in the Senate; we discussed it with Senator MAGNUSON, chairman of the committee; we discussed it with his legislative counsel, and worked this language out in order to clarify and to make sure that it did precisely what the Senate intended it should do.

Mr. FORD. Could the gentleman for the benefit of the House indicate what is meant by the following: "property of a character embraced within section 203 (b) (6)."

Mr. HARRIS. Section 203 (b) (6) of the act defines agricultural commodities and has to do with the character of goods defined under that provision of the ICC act.

If the gentleman will permit me to explain precisely what it does, it permits trip leasing by private carriers or other carriers engaged in the transportation of agricultural commodities to markets as long as the trip leasing is in the general area from which they originate. It permits private carriers or other carriers regularly engaged in the transportation of perishable goods from agricultural areas to engage in trip leasing. The gentleman [Mr. HALEY] lives in Florida, we will say. They are interested in the transportation of oranges, orange juice,

and so forth, to the markets. This would permit a truck regularly engaged in the transportation of frozen orange juice, as an example, from Florida to New York, to trip lease back to Florida, but if the truck were to transport canned orange juice, which is not of a perishable character, to New York, it would not have the authority to trip lease back the Florida. That is just an example of how it works.

Mr. FORD. In the example first given by the gentleman, could that truck from Florida, coming back from New York to Florida, bring back any particular commodity, manufactured or agricultural?

Mr. HARRIS. Yes. That is the purpose of it.

Mr. FORD. Now let me ask this question. Supposing a furniture manufacturing company has trucks of its own; they are not public carriers, and they ship their product in their own trucks, we will say, to Florida. May they under this legislation as proposed bring back agricultural commodities from Florida, or are they precluded from trip leasing?

Mr. HARRIS. Unless they were regularly engaged in that business, they would be precluded.

Mr. FORD. Mr. Speaker, this whole problem is involved and serious.

Mr. PRIEST. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Tennessee.

Mr. PRIEST. I simply ask the gentleman from Arkansas if this measure was not unanimously report by his subcommittee.

Mr. HARRIS. It was unanimously reported by the subcommittee and unanimously reported by the full committee of 31 members. It has the approval of the Senate committee, all the farm organizations all over the country. The railroad industry does not oppose it, and the ICC is favorable to it; in fact, everyone except a group that would like to be turned loose promiscuously all over the country.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. I would like to ask the gentleman from Arkansas [Mr. HARRIS] a question. When this bill or one similar to it was before the House some years ago, is it not a fact that it was debated and a roll call had on it?

Mr. HARRIS. Yes. But it was not worked out at that time to the satisfaction of most all who are interested with this problem.

Mr. CUNNINGHAM. I do not want to go into the merits of it. We on the Consent Calendar objectors committee have no business going into the merits of legislation. We only want to protect the membership and see that a bill should not be passed hurriedly without full and frank discussion on it. I am for the bill personally; I would love to vote for it. But are there any Members in this House who would vote against it if they had the opportunity?

Mr. HARRIS. I do not know of but one, and he may not.

Mr. CUNNINGHAM. Were there any who voted against it before?

Mr. HARRIS. Yes. But it was a different bill than it is now.

Mr. CUNNINGHAM. Then, should not those who were against it at that time be given an opportunity to be heard if this is a different bill? Maybe they would want to vote against it. I am talking about the purposes of the Consent Calendar objectors' committee. We are not here to oppose legislation. We are here to protect you and every other Member of the House, and I understand that is the view of the objectors' committee on the other side, as was expressed by the gentleman from Colorado [Mr. ASPINALL] a while ago. If this bill were brought up under debate and there would be objections to it and some Members would be opposed to this bill, then we would not be doing our duty to allow it to go through by unanimous consent. If we did otherwise, you might as well abolish the committee. I would not want some Member of the House on the floor at the moment, who has not heard a description of the bill and an explanation of it, and a good explanation, by the gentleman from Arkansas, who if he heard that explanation would still vote against the bill, be charged with having voted for it, and I do not think that is fair, and that is my purpose in making this statement. I think the gentleman from Michigan is only trying to protect the membership in that matter.

Mr. HARRIS. Mr. Speaker, if the gentleman would permit, I want to say that I am one of those in this House, along with other Members who appreciate the fine work that is being done by the objectors committee on the Consent Calendar. I know it takes a great deal of time and I know it is a difficult task and they are to be highly commended for their efforts. All of us know the purpose of their work. We appreciate the efforts they are making. So far as I am concerned, though, had I not been fully aware that we had worked this out so that practically everyone is in favor of it, I would not have suggested that the bill be put on the Consent Calendar. I think that is generally true with almost every other bill that goes on the Consent Calendar.

Mr. FORD. Mr. Speaker, I believe my views might coincide with those of the gentleman from Arkansas [Mr. HARRIS]. However, it is admitted that this bill is not the same bill that the House passed in the 83d Congress. There are material differences. That bill, during that session, was rather extensively debated. I do not recall whether it was amended on the floor or not.

I feel quite strongly that the ICC is wrong in their decision or the order that they have issued. I certainly condemn them for not at least giving the Congress the courtesy of extending the time of the order for another 30 days until this issue could be resolved legislatively.

Mr. HARRIS. Mr. Speaker, I might say this, if the gentleman would permit, in behalf of the ICC. They have extended this order from time to time

over the past 6 or 7 years in an effort to get Congress to pass on it.

Mr. FORD. Is it not also true that if they really wanted to be cooperative, they could extend the order until this session of Congress has adjourned? Then they would know whether or not affirmative legislation countermanning their order was enacted into law. But, as the gentleman from Iowa [Mr. CUNNINGHAM] and the gentleman from Colorado [Mr. ASPINALL] have said, this is rather a basic change in existing law for agriculture and transportation and affects wide segments of our economy.

Mr. HARRIS. Will the gentleman permit me to say this on that point? It might be considered a basic change in transportation law, but this is the same procedure that has been developed by the farmers and from which the farmers have been getting the benefit over the past 20 years or more. So that this is no change in procedure, no change whatsoever. The farmers have been permitted to have it over many, many years. In fact, it only permits them to continue the same practice.

In view of the fact that our committee has gone into this subject so carefully and worked it out in as acceptable a way as is possible, and especially since each one of your objectors committee has indicated approval, I am at a complete loss to understand why you object to the bill at this time. The farmers and farm organizations in my opinion are not going to be too pleased with this action. It is simply delaying final approval of the bill. I have no objection to asking for a rule or considering it under suspension. If you insist, we have no other choice, even at the expense of delay.

As I have already said, the order of the Commission in effectuating the 30-day rule, which in effect prohibits trip-leasing and drastically affects farmers of this country, in the transportation of their product to the markets, was to become effective yesterday, July 1, 1956. The ICC has recently postponed again the effective date of the Rule in view of the fact that Congress is considering this legislation. In these closing days of this session, should we not be able to complete the consideration of this bill, the rule will be in my opinion effectuated. If it is, it will be to the detriment of the agricultural industry and the consumers of America.

If you insist on objection, although I feel you should not, I shall with the chairman and other members of our committee pursue such other courses available to us toward the final approval of this bill.

Mr. FORD. Mr. Speaker, based on the existing rules and regulations which we as objectors on both sides of the aisles must observe, I am constrained to ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore (Mr. MILLS). Is there objection to the request of the gentleman from Michigan?

There was no objection.

SETTLEMENT FOR LOSSES SUSTAINED BY OFFICERS OF COMMISSIONED SERVICES

The Clerk called the bill (H. R. 5888) to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency economy legislation, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That upon application of any officer or former officer (including the widows and legal representatives of such officers who are deceased) of the services mentioned in the Joint Pay Act of June 10, 1922, who, upon advancement in pay period or rank, did not receive an increase in the rates of pay or allowances for any part of the period beginning July 1, 1932, and ending June 30, 1934, by reason of the application in the case of such officer of section 201 (except as to longevity increase provided for in the 10th paragraph of sec. 1 of said Joint Pay Act) of the Legislative Appropriation Act for the fiscal year ending June 30, 1933, the Comptroller General shall determine the aggregate amount of pay and allowances, in addition to that otherwise accruing, which would have accrued to such officer if such section had not been applied in his case (except as to longevity) and pay to such officer the amount so determined. Applications under this act shall be made in such form and contain such information as the Comptroller General may prescribe, but an application under this act not filed in the General Accounting Office prior to the expiration of 1 year from the date of enactment of this act shall be of no effect. Any officer of the United States is authorized and directed upon request of the Comptroller General to supply any information from the records in the custody of such officer to aid the Comptroller General in passing upon applications under this act.

SEC. 2. There is hereby authorized to be appropriated such a sum as may be necessary to carry out the provisions of this act.

With the following committee amendments:

Page 1, line 6, strike out "pay period or."
Page 2, line 13, strike out "1 year," and insert in lieu thereof "2 years."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF LAND TO CITY OF CORBIN, KY.

The Clerk called the bill (H. R. 8817) to provide for the conveyance of certain property of the United States to the city of Corbin, Ky.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture shall convey to the city of Corbin, Ky., all right, title, and interest of the United States in and to the tract of land containing 6 acres, more or less (together with all improvements thereon), located within that city, which tract of land was acquired by the United States from J. H. Early and his wife, Alice Early, as evidenced by the deed dated July 28, 1938, and recorded in the land records of Whitley County, Ky., on July 30, 1938, in book 140, at page 239, upon the payment by the city of Corbin of an amount equal to the fair

market value of such tract of land (together with the improvements thereon) as determined by the Secretary. The city of Corbin shall be allowed a credit against the total amount determined by the Secretary as the fair market value of the property to be conveyed, which credit shall be in the amount of \$10,458.75, plus interest at the rate of 6 percent per annum computed from the date of construction of sanitary improvements through such land was completed by such city, to the date of the conveyance authorized by this act, such amount representing the portion of cost due from the United States in connection with such construction.

SEC. 2. In order to carry out the purposes of this act, there is hereby transferred from the Administrator of General Services to the Secretary of Agriculture, all right, title, and interest of the United States in and to the improvements located on the tract of land referred to in the first section of this act.

With the following committee amendments:

Page 1, line 3, strike out "Secretary of Agriculture" and insert "Administrator of General Services."

Page 2, line 4, beginning with the word "Secretary" strike out the remainder of the section through and including line 13, and insert "Administrator of General Services. In the event the city of Corbin fails to tender the purchase price within 1 year after being informed of the amount thereof by the Administrator, he is hereby authorized to dispose of said tract and improvements under the Federal Property and Administrative Services Act of 1949, as amended."

Page 2, beginning on line 14, strike out all of section 2 and insert:

"SEC. 2. In order to carry out the purpose of this act, there are hereby transferred from the Secretary of Agriculture to the Administrator of General Services the custody and control of the land referred to in the first section of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND EXCHANGE—CHATTAHOOCHEE NATIONAL FOREST

The Clerk called the bill (H. R. 9339) to authorize the exchange of certain lands of the United States situated in Union County, Ga., for lands within the Chattahoochee National Forest, Ga., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, with the approval of the National Forest Reservation Commission as established by section 4 of the act of March 1, 1911 (36 Stat. 961), the Secretary of Agriculture is hereby authorized to exchange a parcel of land situated in lots 451 and 452, district 11, section 1, Union County, Ga., comprising 2.10 acres, more or less, and being the same tract acquired by the United States by deed dated January 23, 1936, and recorded at page 168 of deed book AA, records of Union County, Ga., for lands of at least equal value situated within the exterior boundaries of the Chattahoochee National Forest in the State of Georgia: *Provided*, That lands conveyed by either party under the provisions of this act may be subject to such reservations, exceptions, and conditions as the Secretary of Agriculture may approve: *Provided further*, That any lands conveyed to the United States under

the provisions of this act shall be subject to all the laws, rules, and regulations applicable to lands acquired under the aforementioned act of March, 1911, as amended.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

CONVEYING CERTAIN LAND TO STATE OF VIRGINIA

The Clerk called the bill (H. R. 9660) to direct the Secretary of the Army or his designee to convey an 11¼-acre tract of land situated in the vicinity of Williamsburg, Va., to the State of Virginia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army or his designee is authorized and directed to convey by quitclaim deed, without consideration, to the State of Virginia, all right, title, and interest of the United States, except as retained in this act, in and to eleven and one-fourth acres of land situated in York County, Va., and being a part of the lands at the Armed Forces Experimental Training Activity, Camp Peary, near Williamsburg, Va. The eleven and one-fourth acre tract of land to be conveyed to the State of Virginia is more particularly described as follows:

Beginning at a point in the southwestern boundary line of the Camp Peary Reservation where the Government's southwestern property line intersects the center line of Queen's Creek; said point of beginning is also the farthestmost point west that the Government's boundary line traverses the center line of Queen's Creek; thence from the said point of beginning along the property line of the Government north 41 degrees 58 minutes 20 seconds west 84.14 feet, to a concrete monument; thence north 41 degrees 58 minutes 20 seconds west 150.13 feet to a concrete monument in a corner of the Government's southwestern boundary line; thence continuing along the property line of the Government north 51 degrees 15 minutes east 1,374.04 feet to a concrete monument; thence south 35 degrees 4 minutes east, through property of the Government, 2,682.73 feet to the true point of beginning; thence, from said true point of beginning, south 69 degrees 49 minutes east 837 feet to a point on the northwestern right-of-way line of Virginia State Highway Route Numbered 132; thence southwesterly along said right-of-way line, and on a curve to the right, with a radius of 2,746.79 feet an arc distance of 911.09 feet to a point; thence, continuing along said right-of-way line, south 53 degrees 59 feet west 108.87 feet to a point; thence north 15 degrees 6 minutes west 743.28 feet to a point; thence north 24 degrees 52 minutes east 310.54 feet to the true point of beginning, containing eleven and twenty-five one-hundredths acres, more or less, and shown on District Public Works Office, Fifth Naval District, drawing numbered 46265, entitled "Camp Peary, Williamsburg, Va."

SEC. 2. All mineral rights, including gas and oil, in the lands authorized to be conveyed by this act shall be reserved to the United States.

SEC. 3. There shall be further reserved to the United States in the conveyance of the above-described lands, rights of ingress and egress over roads in the above-described lands serving buildings or other works operated by the United States or its successors or assigns in connection with the remaining portion of the lands at the Armed Forces Experimental Training Activity, Camp Peary, near Williamsburg, Va., rights-of-way for waterlines, sewer lines, telephone and telegraph lines, powerlines, and such other utilities which

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued July 6, 1956
For actions of July 5, 1956
84th-2nd, No. 112

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HIGHLIGHTS: House Rules Committee cleared trip leasing bill. Senate committee reported International Wheat Agreement. Senate subcommittee tentatively approved farm loan bill. Sen. Neuberger urged conservation of national forests. Sen. Langer introduced and discussed bill to increase pay for Federal employees. Sen. Hill introduced and discussed bill to provide voluntary health prepayment plan for Federal employees.

HOUSE

1. TRANSPORTATION. The Rules Committee reported a resolution for the consideration of S. 898, to amend the Interstate Commerce Act so as to authorize ICC to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property, but to prohibit regulation of the duration of, or the terms of pay under, certain trip-leasing arrangements. p. 10782
2. EDUCATION; SCHOOL CONSTRUCTION. Rejected, 194 to 224, H. R. 7535, to provide Federal assistance to the States for school construction. p. 10722
3. RECLAMATION. Received the conference report on S. 1622, to authorize the Secretary of the Interior to make payment for certain improvements located on public lands in the Rapid Valley unit, S. Dak., of the Missouri River Basin project (H. Rept. 2618). pp. 10763, 10782
The Rules Committee reported a resolution for the consideration of H. R. 10643, to authorize the Secretary of the Interior to construct, operate, and maintain the Washoe reclamation project, Nev. and Calif. p. 10782

4. PERSONNEL. Received from the Presidential Adviser on Personnel Management a proposed bill "to provide health and medical services for United States citizen civilian officers and employees in the Federal service overseas and their dependents"; to the Post Office and Civil Service Committee. p. 10781
5. BANKING. The Banking and Currency Committee reported without amendment H. R. 11261, to extend until June 30, 1963, the Export-Import Bank Act of 1945 (H. Rept. 2620). p. 10782
6. ATOMIC ENERGY. The Joint Committee on Atomic Energy reported without amendment H. R. 12061, to provide for the acceleration of a civilian atomic-power program by authorizing the construction of additional atomic power reactors and further research facilities (H. Rept. 2622). p. 10782
7. FOOD AND DRUG. The Interstate and Foreign Commerce Committee reported with amendment H. R. 9547, to amend and simplify certain procedures in hearings relative to the administration of the Federal Food, Drug, and Cosmetic Act (H. Rept. 2623). p. 10782
8. AGRICULTURE COMMITTEE. Rep. Lovre described the dinner given for Rep. Hope by the National Milk producers Federation and paid tribute to the record of Rep. Hope on behalf of American agriculture. p. 10721
9. LEGISLATIVE PROGRAM. Rep. McCormack announced the following program for Fri. and Sat.: Postal rate increase bill, school construction program in Federally affected areas, and increase in borrowing power of CCC. p. 10762

SENATE

10. WHEAT. The Foreign Relations Committee reported the International Wheat Agreement for 1956 (Ex. Rept. 7). p. 10679
11. FARM LOANS. The Agriculture and Forestry Subcommittee on Agricultural Credit and Rural Electrification tentatively approved for reporting to the full committee with amendments S. 3429, to improve and simplify the credit facilities available to farmers and to amend the Bankhead-Jones Farm Tenant Act. p. D747
12. CCC GRAIN. Sen. Humphrey inserted a letter to the Secretary from the National Grain Trade Council summarizing the proposals of the Council relative to the sale of CCC grain for export. p. 10711
13. RECLAMATION. The Interior and Insular Affairs Committee reported with amendment S. 3227, to authorize the Secretary of the Interior to construct, operate, and maintain the Little Wood River reclamation project, Ida. (S. Rept. 2417). p. 10678
14. FORESTRY. The Interior and Insular Affairs Committee reported without amendment H. R. 9974, relative to the cutting of timber, manufacture and sale of lumber, and preservation of the forests on the Menominee Indian Reservation in Wis. (S. Rept. 2413). p. 10679
Sen. Neuberger urged conservation of the national forests, criticized proposals which would lead to the "dismemberment of the national forests", and inserted a newspaper editorial in support of his position. p. 10684
Sen. Humphrey inserted a newspaper editorial in support of his bill (S. 4013) to establish a wilderness preservation system. p. 10716

Mr. DEROUNIAN (at the request of Mr. BECKER) and to include extraneous matter.

Mr. BECKER and to include extraneous matter.

Mrs. ROGERS of Massachusetts and to include a statement regarding the need for increased compensation for doctors in the Veterans' Administration.

Mr. RAY in four instances and to include extraneous matter, notwithstanding the fact that in one instance the extraneous matter will exceed two pages of the RECORD and is estimated by the Public Printer to cost \$180.

Mr. COUDERT in six instances and to include extraneous matter.

Mr. SCHERER and to include a newspaper article.

Mr. VAN ZANDT.

Mr. GAVIN in three instances and to revise and extend the remarks he made today.

Mr. WICKERSHAM to extend his remarks during the consideration of the school construction bill.

Mr. FASCELL and to include an address notwithstanding it is estimated by the Public Printer to cost \$180.

Mr. RODINO and to include an article.

Mr. YATES (at the request of Mr. RODINO) and to include a speech.

Mr. WILLIAMS of New Jersey and to include extraneous matter.

Mr. METCALF and to include a table of statistics in remarks made in Committee of the Whole.

Mr. BROOKS of Louisiana in three instances and to include extraneous matter.

Mr. MULTER (at the request of Mr. McCORMACK) and to include extraneous matter which is estimated by the Public Printer to cost \$269.50.

Mr. POWELL (at the request of Mr. McCORMACK) and to include extraneous matter.

Mr. FLOOD (at the request of Mr. McCORMACK) in four instances and to include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2891. An act to amend section 709 of title 18, of the United States Code so as to prohibit the use by certain businesses of the initials "U. S." in the business firm name or pictures of the Capitol Building and other public buildings of the United States in their advertising, and to increase the penalties for violation of such section; to the Committee on the Judiciary.

S. J. Res. 165. Joint resolution approving the relinquishments of the consular jurisdiction of the United States in Morocco; to the Committee on Foreign Affairs.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 11740. An act to provide for a temporary increase in the public debt limit.

SENATE ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 220. An act conferring jurisdiction upon the United States Court for the District of New Mexico, to hear, determine, and render judgment upon certain claims arising as a result of the construction by the United States of Elephant Butte Dam on the Rio Grande;

S. 449. An act for the relief of George Pantelas;

S. 584. An act to amend title 28m United States Code, relating to the Customs Court;

S. 977. An act to amend title 28, United States Code, with respect to duties of judges of the United States Court of Claims;

S. 997. An act to provide punishment for certain confidence game swindles;

S. 1178. An act for the relief of Mrs. Sylvia Simonson;

S. 1245. An act for the relief of Agnes V. Walsh, the estate of Margaret T. Denehy, and David Walsh;

S. 1542. An act to authorize an allowance for civilian officers and employees of the Government who are notaries public;

S. 1616. An act for the relief of Sumiko Ariumi Bilson;

S. 1688. An act to amend the Federal Seed Act;

S. 1739. An act to authorize the Commissioners of the District of Columbia to fix rates of compensation of members of certain examining and licensing boards and commissions, and for other purposes;

S. 1798. An act for the relief of Mrs. Charles C. Phillips;

S. 1961. An act to provide for the conveyance of part of Ethan Allen Air Force Base, Colchester, Vt., to the State of Vermont, and for other purposes;

S. 2008. An act for the relief of Winifred A. Hunter;

S. 2091. An act authorizing the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Ill.;

S. 2169. An act for the relief of M. B. Huggins, Jr.;

S. 2210. An act to modify the project for the Saint River, South Canal, in order to repeal the authorization for the alteration of the International Bridge as part of such project, and to authorize the Secretary of the Army to accomplish such alteration;

S. 2240. An act for the relief of James Richard Hogan;

S. 2244. An act for the relief of Maria Novak;

S. 2352. An act for the relief of Maj. Luther C. Cox;

S. 2690. An act for the relief of William G. Jackson;

S. 2712. An act to authorize the charging of tolls for transit over the Manette Bridge in Bremerton, Wash.;

S. 2913. An act to extend for 2 years the Advisory Committee on Weather Control;

S. 2972. An act to punish the willful damaging or destroying of aircraft or motor vehicles, and their facilities, and for other purposes;

S. 3214. An act to authorize adjustment, in the public interest, of rentals under leases entered into for the provision of commercial recreational facilities at the Clark Hill Reservoir;

S. 3307. An act to amend section 9 (d) of the Universal Military Training and Service Act to authorize jurisdiction in the Federal courts in certain reemployment cases;

S. 3527. An act authorizing the State Highway Commission of the State of Maine to construct, maintain, and operate a free highway bridge between Lubec, Maine, and

Campobello Island, New Brunswick, Canada; S. 3547. An act to amend section 1 of the act of August 9, 1955 (69 Stat. 555), authorizing the sale of certain land by the Pueblos of San Lorenzo and Pojoaque;

S. 3674. An act to amend section 1343 of title 18, United States Code, relating to fraud by wire, radio, or television;

S. 3723. An act to authorize the Secretary of the Navy to convey certain land in the county of Alameda, Calif., and to accept other land in exchange therefor;

S. 3866. An act to facilitate the making of lease-purchase agreements by the Administrator of General Services under Public Buildings Act of 1949, as amended, and by the Postmaster General under the Post Office Department Property Act of 1954, and for other purposes;

S. J. Res. 110. Joint resolution directing the Secretary of the Interior to conduct a study and investigation of Indian education in the United States;

S. J. Res. 163. Joint resolution granting the status of permanent residence to certain aliens; and

S. J. Res. 178. Joint resolution to authorize an appropriation to provide for certain costs of United States participation in the International Bureau for the Publication of Customs Tariffs.

ADJOURNMENT

Mr. MACHROWICZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 40 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, July 6, 1956, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2036. A letter from the Secretary of Defense, transmitting a report on real and personal property of the Department of Defense as of December 31, 1955, pursuant to section 410 of the National Security Act of 1947, as amended; to the Committee on Armed Services.

2037. A letter from the Secretary of the Army transmitting a report on claims brought about due to the explosions and fires at Texas City, Tex., during April 1947, pursuant to Public Law 378, 84th Congress; to the Committee on the Judiciary.

2038. A letter from the Presidential Adviser on Personnel Management, transmitting a draft of proposed legislation entitled "A bill to provide health and medical services for United States citizen civilian officers and employees in the Federal service overseas and their dependents, and for other purposes"; to the Committee on Post Office and Civil Service.

2039. A letter from the Acting Secretary of the Treasury, transmitting the annual report of the Federal Bureau of Narcotics, prepared by the Commissioner of Narcotics, for the calendar year ended December 31, 1955, pursuant to section 1 of the act of June 14, 1930; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committee on the District of Columbia. H. R. 10947. A bill to provide

particular designations for the highway bridges over the Potomac River at 14th Street in the District of Columbia; without amendment (Rept. No. 2606). Referred to the House Calendar.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 11090. A bill concerning gifts of securities to minors in the District of Columbia; without amendment (Rept. No. 2607). Referred to the House Calendar.

Mr. McMILLAN: Committee on the District of Columbia. S. 2705. An act to authorize the Philadelphia, Baltimore & Washington Railroad Co. to construct, maintain, and operate a branch track or siding over Second Street, SE., in the District of Columbia; without amendment (Rept. No. 2608). Referred to the House Calendar.

Mr. McMILLAN: Committee on the District of Columbia. S. 2704. An act to authorize the appropriation of funds for the construction of certain highway-railroad grade separations in the District of Columbia, and for other purposes; without amendment (Rept. No. 2609). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. S. 2895. An act to amend the acts of February 28, 1903, and March 3, 1927, relating to the payment of the cost and expense of constructing railway-highway grade elimination structures in the District of Columbia; with amendment (Rept. No. 2610). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. House Joint Resolution 667. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the presidential inaugural ceremonies; with amendment (Rept. No. 2611). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. S. 2568. An act to amend title I of the act entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes"; with amendment (Rept. No. 2612). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. S. 2896. An act to amend the act relating to cemetery associations; without amendment (Rept. No. 2613). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 7538. A bill to provide 5 longevity increases for officers and members of the Metropolitan Police force who have completed 28 years of service, without regard to the grade in which such service was rendered; without amendment (Rept. No. 2614). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 11967. A bill to amend Public Law 523 of the 78th Congress entitled "Joint resolution to consider a site and design for a National Memorial Stadium to be erected in the District of Columbia," approved December 20, 1944; without amendment (Rept. No. 2615). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 9918. A bill to authorize the Secretary of the Interior to negotiate and execute a contract with the Riverside Irrigation District, Idaho, relating to the rehabilitation of the district's works, and other matters; with amendment (Rept. No. 2616). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 10030. A bill to provide for transfer of title of certain lands to the Carlsbad Irrigation District, N. Mex.; without amendment (Rept. No. 2617). Re-

ferred to the Committee of the Whole House on the State of the Union.

Mr. FORRESTER: Committee of conference. S. 1622. An act to authorize the Secretary of the Interior to make payment for certain improvements located on public lands in the Rapid Valley unit, South Dakota, of the Missouri River Basin project, and for other purposes; without amendment (Rept. No. 2618). Ordered to be printed.

Mr. HAYS of Ohio: Committee on House Administration. House Resolution 493. Resolution to print as a House document the report entitled "The Panama Canal, Sealevel Project and National Security"; without amendment (Rept. No. 2619). Ordered to be printed.

Mr. SPENCE: Committee on Banking and Currency. H. R. 11261. A bill to extend the Export-Import Bank Act of 1945, as amended; without amendment (Rept. No. 2620). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRAZIER: Committee on the Judiciary. H. R. 9348. A bill to amend the act entitled "An act incorporating the Archeological Institute of America" to increase the value of real and personal property that such Institute may hold; without amendment (Rept. No. 2621). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Joint Committee on Atomic Energy. H. R. 12061. A bill providing for a civilian atomic-power acceleration program; without amendment (Rept. No. 2622). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRIEST: Committee on Interstate and Foreign Commerce. H. R. 9547. A bill to amend section 701 of the Federal Food, Drug, and Cosmetic Act so as to simplify the procedures governing the prescribing of regulations under certain provisions of such act, and for other purposes; with amendment (Rept. No. 2623). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Colorado: Committee on the Judiciary. H. R. 11653. A bill to increase the fees of witnesses in the United States courts and before United States commissioners, and for other purposes; without amendment (Rept. No. 2624). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 577. Resolution for consideration of S. 849, an act to provide assistance to certain non-Federal institutions for construction of facilities for research in crippling and killing diseases such as cancer, heart disease, poliomyelitis, nervous disorders, mental illness, arthritis and rheumatism, blindness, cerebral palsy, tuberculosis, multiple sclerosis, epilepsy, cystic fibrosis, and muscular dystrophy, and for other purposes; without amendment (Rept. No. 2625). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 578. Resolution for consideration of S. 898, an act to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property; without amendment (Rept. No. 2626). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 579. Resolution for the consideration of S. 3246, an act to increase the amount authorized for the erection and equipment of suitable and adequate buildings and facilities for the use of the National Institute of Dental Research; without amendment (Rept. No. 2627). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 580. Resolution for consideration of S. 3958, an act to improve the

health of the people by assisting in increasing the number of adequately trained professional and practical nurses and professional public health personnel, assisting in the development of improved methods of care and treatment in the field of mental health, and for other purposes; without amendment (Rept. No. 2628). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 581. Resolution for consideration of H. R. 10643, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Washoe reclamation project, Nevada and California; without amendment (Rept. No. 2629). Referred to the House Calendar.

Mr. TRIMBLE: Committee on Rules. House Resolution 582. Resolution for consideration of H. R. 11613, a bill to authorize the loan of naval vessels to the governments of the Federal Republic of Germany, Greece, Portugal, Spain, and friendly Far Eastern nations, and for other purposes; without amendment (Rept. No. 2630). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FORRESTER: Committee on the Judiciary. S. 277. An act for the relief of Jean Pfeifer; without amendment (Rept. No. 2600). Referred to the Committee of the Whole House.

Mr. MILLER of New York: Committee on the Judiciary. S. 1893. An act for the relief of Harold D. Robison; without amendment (Rept. No. 2601). Referred to the Committee of the Whole House.

Mr. CRAMER: Committee on the Judiciary. H. R. 908. A bill for the relief of August J. Strigga; with amendment (Rept. No. 2602). Referred to the Committee of the Whole House.

Mr. CRAMER: Committee on the Judiciary. House Resolution 540. Resolution to provide for sending the bill H. R. 7740 and accompanying papers to the United States Court of Claims; without amendment (Rept. No. 2603). Referred to the Committee of the Whole House.

Mr. MILLER of New York: Committee on the Judiciary. H. R. 6185. A bill for the relief of the E. B. Kaiser Co.; without amendment (Rept. No. 2604). Referred to the Committee of the Whole House.

Mr. CRAMER: Committee on the Judiciary. H. R. 9755. A bill for the relief of Elmer L. Henderson; with amendment (Rept. No. 2605). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:
H. R. 12108. A bill to revise the Alaska game law; to the Committee on Interior and Insular Affairs.

By Mr. DORN of New York:
H. R. 12109. A bill to amend the National Housing Act to provide an opportunity for tenants in certain rental housing projects to present written objections to proposed rent increases, and to make the eviction of such tenants subject to regulation by the Federal Housing Administration; to the Committee on Banking and Currency.

By Mr. FALLON (by request):
H. R. 12110. A bill to provide for the appointment of a Federal Highway Administrator in the Bureau of Public Roads, one

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued July 11, 1956
For actions of July 10, 1956
84th-2nd, No. 116

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HIGHLIGHTS: Senate committees ordered reported the following bills: Farm loan bill. Broaden authority for use and occupancy of land within national forests. Broaden law on practices in marketing perishable commodities. Permit processors to buy cotton futures contracts. Eliminate delay in starting watershed projects. Dispose of Akron synthetic rubber laboratory. House Rules Committee cleared supplemental appropriation bill. House agreed to resolution for consideration of marketing facilities bill. House committee ordered reported bill to add cranberries for canning and freezing to Marketing Agreement Act. House agreed to resolution for consideration of trip leasing bill. Rep. Johnson, Wis., discussed need for stabilizing income of dairy farmers.

HOUSE

1. APPROPRIATIONS. The Rules Committee reported a resolution for consideration of H. R. 12138, the supplemental appropriation bill for 1957. p. 11069
2. TRANSPORTATION. Agreed to a resolution for consideration of S. 898, to amend the Interstate Commerce Act so as to authorize ICC to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property, but to prohibit regulation of the duration of, or the terms of pay under, certain trip-leasing arrangements. p. 11074
3. MARKETING. Agreed to a resolution for the consideration of H. R. 4054, to provide a system of mortgage insurance to municipal and other political subdivisions of the States, to be administered by USDA, for the expansion of public marketing of perishable commodities. p. 11075
The Agriculture Committee ordered reported H. R. 8384, to extend the provisions of the Agricultural Marketing Agreement Act of 1937, to cranberries for canning or freezing processing. p. D767

- amendment (H.Rept. 2668),
4. LANDS. The Agriculture Committee reported without H. J. Res. 642, to provide for the quitclaim of certain FHA land in Coahoma County, Miss. p. D767
Interior and Insular Affairs Committee ordered reported H. R. 10371, to provide that withdrawals or reservations of more than 5,000 acres of public lands of the U. S. for certain purposes shall not become effective until approved by act of Congress. p. D768
5. RECLAMATION. Agreed to a resolution for the consideration of H. R. 10643, to authorize the construction, operation, and maintenance of the Washoe reclamation project, Nev. and Calif. p. 11072
Received from the Interior Department a report on the Farwell unit, Neb., of the Missouri River Basin project (H. Doc. 445); to the Interior and Insular Affairs Committee. p. 11083
6. FLOOD CONTROL. The Rules Committee reported a resolution for the consideration of H. R. 12080, to authorize the construction, repair, and preservation of certain Army public works on rivers and harbors for navigation and flood control. p. 11083
The Public Works Committee reported without amendment S. 1358, to authorize modification of the flood-control project for Missouri River Agricultural Levee Unit 513-512R, Neb. (H. Rept. 2676). p. 11083
7. FOREIGN TRADE. The Ways and Means Committee ordered reported H. R. 9396, to provide for the duty-free importation of guar seed. p. D769
8. FARM PROGRAM. Rep. Hand discussed the problems of New Jersey agriculture and suggested that more attention should be paid to the farm problems of the Northeast in research, conservation, and crop insurance. p. 11075

SENATE

9. AGRICULTURE AND FORESTRY COMMITTEE ordered reported the following bills: p.D765
H. R. 5337, without amendment, to broaden the provisions of law relating to practices in the marketing of perishable agricultural commodities;
H. R. 9333, without amendment, to give to certain consuming processors of cotton the privilege of buying cotton futures contracts in certain cases;
H. R. 9339, without amendment, authorizing the exchange of certain U. S. lands in Union County, Ga., for lands in the Chattahoochee National Forest;
H. R. 11873, without amendment, to decrease the Congressional review period of projects under the Watershed Protection and Flood Prevention Act from 45 days to 15 days;
S. 3429, with amendment, to improve and simplify the credit facilities available to farmers and to amend the Bankhead-Jones Farm Tenant Act;
S. 2216, with amendment, to amend the act of March 4, 1915, to permit the use and occupancy of national forest lands for industrial and commercial purposes, and by States or political subdivisions for constructing facilities for education or other public uses;
S. 3133, with amendment, to provide for the conveyance of certain real property of the U. S. to Boise, Ida.
10. RESEARCH. The Banking and Currency Committee ordered reported with amendment S. 3832, to provide for the disposal of the Government-owned synthetic rubber research laboratories at Akron, Ohio.

Mr. Speaker, House Resolution 581 makes in order the consideration of H. R. 10643 to authorize the Secretary of the Interior to construct, operate and maintain the Washoe project in Nevada and California. Enactment of this legislation will also permit the construction of flood control works in the Truckee Valley which were authorized in the Flood Control Act of 1954, with construction contingent upon authorization of the Washoe project.

The resolution provides for an open rule and 1 hour debate on the bill.

This multiple-purpose project on the eastern slope of the Sierra Nevada will provide irrigation, power, flood control, public health, recreation and fish and wildlife benefits through regulation of the stream flow and storage of snowmelt flood waters on the East Carson and Little Truckee Rivers and drainage of surplus ground waters in some areas of the basins.

The legislation contains certain other provisions. The States of Nevada and California are negotiating a compact with respect to the waters of the Truckee and Carson Rivers, both involved in the development of the Washoe project. Language in the bill assures that the future water needs in the Little Truckee River watershed in California will be met, and additional language provides that when the compact is completed the operation of the Washoe project will be in conformance with the compact.

The total cost of the project is \$43,558,000. Seventeen million, one hundred and eight thousand dollars will be allocated to irrigation and drainage and, up to the ability of the users to repay, and after suitable development periods for various project lands, the repayment would be made under 50-year repayment contracts and would total \$8,180,000 over the period. The power investment of \$18,209,000 would be repaid in 50 years, with interest. Net power revenues accruing after payment of the power investment with interest would repay that part of the irrigation and drainage allocation beyond the repayment ability of the water users. The allocation of \$6,141,000 for flood control, \$100,000 to recreation and \$2 million for the development of fish and wildlife resources would be nonreimbursable.

I urge the adoption of House Resolution 581 so that the House may proceed to the consideration of H. R. 10643.

(Mr. DELANEY asked and was given permission to revise and extend his remarks.)

Mr. ELLSWORTH. Mr. Speaker, I know of no opposition to the rule on this side.

Mr. DELANEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRODUCTION OF TUNGSTEN, ASBESTOS, FLUORSPAR, AND COLUMBIUM-TANTALUM IN THE UNITED STATES

Mr. TRIMBLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 586, Rept. No. 2657), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 3982) to provide for the maintenance of production of tungsten, asbestos, fluorspar, and columbium-tantalum in the United States, its Territories, and possessions, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Interior and Insular Affairs now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

AUTHORIZING LOAN OF NAVAL VESSELS TO FOREIGN GOVERNMENTS

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 582 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11613) to authorize the loan of naval vessels to the Governments of the Federal Republic of Germany, Greece, Portugal, Spain, and friendly far eastern nations, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Oregon [Mr. ELLSWORTH] and at this time yield myself such time as I may use.

Mr. Speaker, this resolution makes in order the consideration of the bill, H. R. 11613.

The purpose of the bill is to authorize the President to lend 2 destroyers and 2 destroyer escorts to the Government of the Federal Republic of Germany, 2 submarines to the Government of Greece, 2 destroyer escorts to the Government of Portugal, and 2 destroyers to the Government of Spain for a period of 5 years, and at his discretion for an additional period of not to exceed 5 years. The bill further would extend the authority of the current law whereby the President, until December 31, 1956, is authorized to lend not to exceed 25 naval vessels not larger than destroyers to friendly far eastern nations, by providing a 2-year extension until December 31, 1958, and by increasing the number of such vessels to 50.

(Mr. TRIMBLE asked and was given permission to revise and extend his remarks.)

Mr. ELLSWORTH. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, House Resolution 582 makes in order the bill, H. R. 11613. According to the testimony given in the Rules Committee this is necessary in the interest of our national security. There is no objection to adoption of the rule on this side.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from Iowa.

Mr. GROSS. How many vessels are involved in this?

Mr. ELLSWORTH. The resolution pending does not state. I cannot answer the gentleman's question.

The bill reads:

To authorize the loan of naval vessels to the Governments of the Federal Republic of Germany, Greece, Portugal, Spain, and friendly Far Eastern nations.

Mr. GROSS. Are these modern vessels? Does the gentleman have any idea what they are, whether they come out of the mothball fleet or what they are?

Mr. ELLSWORTH. I am unable to answer the gentleman's question. The matter before the House is whether or not the House will agree to the rule which will make in order consideration of the bill which the gentleman is asking about. During general debate on that bill I am sure the legislative committee responsible for bringing it to the floor of the House will be glad to answer fully the questions of the gentlemen from Iowa.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. As I read the bill it says that the President

may lend 2 destroyers and 2 destroyer escorts to the Government of the Federal Republic of Germany, 2 submarines to the Government of Greece, 2 destroyer escorts to the Government of Portugal and 2 destroyers to the Government of Spain, for a period of not more than 5 years. Then there is a provision that he can extend that for an additional period of not more than 5 years. I think the gentleman from Iowa is interested in the fact that all expenses involved shall be charged to funds programed for the recipient governments under the Mutual Security Act. I know the gentleman is interested in knowing who provides funds under the Mutual Security Act. I think Iowa contributes quite a share.

Mr. ELLSWORTH. I thank the gentleman for the information he has given the House.

I yield back the balance of my time, Mr. Speaker.

Mr. TRIMBLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PARLIAMENTARY INQUIRY

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HOFFMAN of Michigan. The House is adopting resolutions from the Committee on Rules, as I understand it, to make the consideration of these bills in order. When will the bill be called up?

The SPEAKER pro tempore. Some of them may be called up this afternoon, the Chair will advise the gentleman.

Mr. HOFFMAN of Michigan. Well, if they are to be called up this afternoon, let me say this. I already notice there is \$2 million on one, \$20 million on another, 10 or more vessels loaned for a period of 10 years, I will have to make a point of no quorum if they are called up today. I am trying to establish a record for economy.

Mr. COLMER. Would the gentleman from Michigan withhold that until we could dispose of the rules?

Mr. HOFFMAN of Michigan. Sure. Mr. Speaker, my only point was that when the bills are taken up, I thought the Members ought to be here. They will have finished their office work and their committee work by that time, I am sure.

The SPEAKER pro tempore. The Chair understands the gentleman from Michigan.

DEPARTMENT OF DEFENSE APPROPRIATION ACT AND THE CIVIL FUNCTIONS APPROPRIATION ACT

Mr. COLMER. Mr. Speaker, I call up House Resolution 526 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R.

7992) to enact certain provisions now included in the Department of Defense Appropriation Act and the Civil Functions Appropriation Act, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. ELLSWORTH], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 526 makes in order the consideration of H. R. 7992, the so-called point of order bill. The resolution provides for an open rule and 1 hour of general debate.

The purpose of this bill, as amended, is to enact into permanent law numerous legislative provisions which have heretofore appeared in appropriation acts. Enactment of this bill will supply legislative authorization and will preclude the raising of points of order with respect thereto in the consideration of annual appropriation acts.

The proposed bill, as amended, contains 33 sections, most of which involve relatively minor matters. It also amends in minor respects some existing law authorizing the expenditure of funds for certain purposes and repeals certain statutory authorization heretofore applicable only to the Navy Department, thus providing a uniform authorization for all the military departments for such expenditures.

Section 27 repeals section 638 of the Defense Appropriation Act of 1956, which required the Department of Defense to submit to the Appropriations Committees of the House and Senate for their approval the proposed transfer to private industry of operations performed by civilian personnel of the Department of Defense for 3 or more years and which involved more than 10 employees. The committee adopted an amendment which gives to the Congress the full authority to pass upon each proposed transfer within reasonable limitations.

Section 10 authorizes the training in law at civilian universities of a maximum of 135 officers of the regular components of the Armed Forces within any 3-year period. Existing restrictions in the Defense Appropriation Act of 1956 and the 1957 act precludes such training.

These two sections are the only sections which present any departure from the authorizing language contained in previous appropriation bills.

The committee report complies with the Ramseyer rule, and I urge the adoption of House Resolution 526.

(Mr. COLMER asked and was given permission to revise and extend his remarks.)

Mr. ELLSWORTH. Mr. Speaker, there is no objection to the passage of this rule on this side. Therefore, I yield back the balance of my time.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMENDING INTERSTATE COMMERCE ACT TO REGULATE USE BY MOTOR CARRIERS OF MOTOR VEHICLES NOT OWNED BY THEM

Mr. COLMER. Mr. Speaker, I call up House Resolution 578 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 898) to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. ELLSWORTH], and at this time I yield myself such time as I may consume.

(Mr. COLMER asked and was given permission to revise and extend his remarks.)

Mr. COLMER. House Resolution 578 makes in order the consideration of S. 898, which would amend that section of the Interstate Commerce Act having to do with the use by motor carriers of motor vehicles not owned by them. The Resolution provides for an open rule with 1 hour of debate.

Under proposed regulations of the Interstate Commerce Commission, the effective date for which has been postponed from time to time, motor carriers who lease motor vehicles that they do not own, must lease such vehicles for at least 30 days' duration. The Commission has stated that this rule was necessary to maintain effective control over the operational safety, carrier responsibility and the economics of the motor-carrier industry.

The 30-day lease requirement is the provision to which strong objection has been made, for it is contended generally, that it would for all practical purposes abolish "trip-leasing," the term given to the leasing of a motor vehicle, with driver, for a single one-way haul or a round trip. Currently the ICC has

granted exemption from the 30-day minimum leasing rules to agricultural haulers. However, it is believed that the exemptions should be provided for by statute so that the ICC could not at a later date cancel such exemptions.

If trip-leasing were abolished, truck haulers of agricultural commodities, livestock, fish, and other perishable products, who now obtain return hauls by leasing their trucks to authorized motor carriers would no longer be able to do so, but would have to return empty. Hence such haulers would have to charge more for hauling those products, thus increasing the cost of marketing and the spread between farm and consumer prices.

S. 898 provides that section 204 of the Interstate Commerce Act be amended so that the 30-day minimum leasing rule would not apply to motor vehicles used in the transportation of agricultural and other perishable commodities.

The committee report complies with the Ramsayer rule.

I urge the adoption of House Resolution 578 so that the House may proceed to the consideration of S. 898.

Mr. ELLSWORTH. Mr. Speaker, there is no objection to the adoption of this rule on this side. Therefore, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MARKETING FACILITIES FOR HANDLING PERISHABLE AGRICULTURAL COMMODITIES

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 556, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4054) to encourage the improvement and development of marketing facilities for handling perishable agricultural commodities. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. ELLSWORTH], and at this time I yield myself such time as I may consume.

Mr. Speaker, this rule makes in order the bill H. R. 4054. That bill is one that has been before the House several times. In fact, it passed the House once. Substantially, it provides for the guaranty or insurance of loans for the construc-

tion of marketing facilities in metropolitan areas. The reason advanced for it is that in many large cities the marketing facilities are very inadequate and obsolete. In many cases they are far removed from the railroad. They are in rundown condition. Goods that are shipped in, such as perishables, for consumption in the markets of large cities are so far removed from other means of transportation that it becomes very expensive to take them off the railroad and put them on trucks and carry them to these marketing facilities and unload them there.

There has been no opposition to the bill in the Committee on Rules. It does not provide for the expenditure of any funds but it does provide for the insurance of these marketing facilities to the extent of 85 percent. It is somewhat similar to the various and sundry housing provisions.

I know of no objection to the rule. There will probably be some to the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. ELLSWORTH. Mr. Speaker, the bill this resolution would make in order, H. R. 4054, appears to be one of those measures coming frequently before Congress which would require a considerable amount of discussion and understanding on the floor. Speaking for myself alone, after having heard the testimony given by the committee before the Rules Committee, I find myself having some doubts as to the wisdom of the bill. However, I was glad to vote in the Rules Committee for a rule to bring the bill to the floor. Therefore, I am urging the adoption of this resolution, because this bill, rather more than most of the others we have had under discussion today, deserves full and free debate on the floor.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

PROCEDURE IN THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, may I inquire as to the procedure? It is proposed now that the House adjourn?

The SPEAKER pro tempore. We have special orders yet to be heard.

Mr. HOFFMAN of Michigan. But no legislation?

The SPEAKER pro tempore. If the gentleman objects, there will be no legislation.

Mr. HOFFMAN of Michigan. I certainly will make a point of order on some of these bills.

The SPEAKER pro tempore. Under the circumstances, the Chair will proceed with the recognition of Members under special orders.

THE JERSEY FARMER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Jersey [Mr. HAND] is recognized for 10 minutes.

Mr. HAND. Mr. Speaker, although New Jersey is widely known as the Garden State, its preeminent position in agriculture is sometimes lost sight of because most people are familiar with its concentrated metropolitan area in which are located thousands of modern factories, which make our small State the sixth greatest industrial producer in the Union.

FIRST IN ACRE CASH

The interesting fact remains that my State continues to rank No. 1 in cash receipts per acre, which has now reached the phenomenal figure of \$195 per acre of agricultural land. Curiously, the next highest producers per acre are the like industrial northeastern States of Connecticut, Rhode Island, Delaware, and Massachusetts. The justly famous States of our Farm Belt in the Middle West are not even close competitors on a cash acreage basis.

What is perhaps even more unusual, New Jersey is fourth ranking State in cash receipts per farm. Although our average farm is only 70 acres in size, our cash receipts per farm are \$13,542. We are only significantly exceeded by the State of California with an average acreage of 250, and the leader, Arizona, but the average farm acreage there is 4,000 acres compared to our 70.

New Jersey, the third smallest State in Union in geographical area, produced more than \$366 million of agricultural products in the year 1955.

Our leading farm products are eggs, milk, vegetables, and poultry, but by far the greatest crop is eggs, of which we produce \$121 million worth, a very substantial part of which is produced in my congressional district.

WE ARE FARMERS, TOO

All of this is by way of preface to indicate that this great agricultural producer is seriously neglected in our national legislation, which is concentrated for the benefit of the West and South. The first farm bill, which happily the President vetoed, would have adversely affected our leading crops of eggs, poultry, and milk, and was of no help whatever to vegetables. The second bill, while less harmful to a degree, still has the net effect of damaging agriculture in New Jersey. The concentration on artificially maintaining prices for grain crops simply causes the egg industry, for example, to pay more for what it needs than it would have to pay in a free market, while at the same time the price of eggs is not supported. The soil-bank plan which is, no doubt, of benefit to agriculture elsewhere, has an insignificant effect in New Jersey, except for some of our corn producers.

Nevertheless, Mr. Speaker, the average New Jersey farmer is going to work out his own salvation as best he can, but he hopes that some time in the future, the national farm policy will not be completely concentrated on wheat, corn, cotton, and tobacco—the so-called basic crops—which even include tung nuts and honey. It is hard for them to appreciate that tung nuts are basic to the national welfare while eggs are not.

THE APPROPRIATION BILL

This years' appropriation bill for the Department of Agriculture, however, is of interest and benefit to New Jersey as well as to the rest of the Nation. Our farmers are pleased with the committee report on soil conservation, which is as follows:

SOIL CONSERVATION

The committee has resisted efforts for the past 3 years to curtail the soil-conservation programs of the Department. Each year it has restored budget cuts in these activities.

In this bill, the committee has exceeded the budget for the Soil Conservation Service by \$5 million, to assure adequate technical assistance to an increasing number of soil-conservation districts, and to accelerate the watershed protection and flood-prevention programs of the Department. Further, it has again included \$250 million in the bill for the advance agricultural conservation program announcement for next year.

This action appears to be particularly appropriate in view of the need for increased attention to diverted acres and soil reserves. It is entirely consistent with the actions of the Congress and the administration in adopting the soil-bank plan, which had its genesis with certain members of this committee in January 1954. The organizations now operating the soil-conservation programs of the Department should be given adequate financial support in this bill to carry out any new programs of this type which might be undertaken. The committee feels that the amounts it has recommended for the next fiscal year will help these agencies to meet this additional responsibility.

The Soil Conservation Service assists soil conservation districts and other cooperators in bringing about physical adjustments in land use that will conserve soil and water resources, provide economic production on a sustained basis, and reduce damages from floods and sedimentation. The Service also develops and carries out special drainage, irrigation, flood prevention, and watershed protection programs in cooperation with soil conservation districts, watershed groups, and other Federal and State agencies having related responsibility. It is expected that the new soil-bank legislation will increase the work of this agency in these fields.

Conservation operations: The committee recommends an appropriation of \$67,500,000 for 1957, an increase of \$4,557,255 over the 1956 appropriation and an increase of \$2,285,000 in the budget estimate.

ANIMAL DISEASE

We are likewise glad to see \$22 million appropriated for plant and animal diseases and pest control, and over \$2 million to control the gypsy moth, which is potentially a serious threat to our agriculture.

For fiscal year 1957, the sum of \$3,500,000 was recommended for continuing the study of diseases of animals and poultry, a substantial increase over the amount allowed in 1956. The proposal to construct an animal and poultry laboratory at a cost of some \$10 million is encouraging.

PRICE SPREAD

Two problems stand out in my mind, which are not receiving the attention they deserve. One is the very large spread between what the farmer receives for his product and what the consumer pays for such products. Last year, and again this year, the Congress has appropriated funds for a study of this question, which study is continuing in the Department of Agriculture. This

spread is serious economically and also psychologically. By the time food gets from the farm to the ultimate consumer, having passed through wholesalers, brokers, retailers, delivery people, and usually very fancy packaging, the price the consumer pays bears no relationship to the original price of the product, which means first, that the farmer is not getting anywhere near his fair share of the cost of food, and which also means that the consumer tends to blame high-food prices on the farmer, when in fact the blame belongs elsewhere.

CROP INSURANCE

The second problem is crop insurance. As to this, the committee says in part:

The Federal Crop Insurance Corporation is a wholly owned Government corporation created in 1938. Crop insurance offered to agricultural producers by the Corporation provides protection from losses caused by unavoidable natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. It does not indemnify producers for losses resulting from negligence or failure to observe good farming practices.

In the light of recent experience in certain areas of the country, the committee believes that the crop-insurance program should be tried on an experimental basis on peaches and other fruit crops. The committee directs that within the funds provided in the bill for 1957 such an experimental program be initiated.

However, the amount appropriated for this activity is \$6,210,000 which indicates, obviously, that this insurance program is on an extremely limited basis.

Just as I favor Federal participation in insurance programs indemnifying our coastal and other areas against the devastating effect of hurricanes and storms, so I favor the extension of crop insurance on a premium basis to protect the farmer against natural hazards, which he cannot prevent and which are sometimes catastrophic. The problems to an extent are intermingled. In our last severe hurricane, for example, the publicity mostly dealt with coastal areas, but enormous damage was done to the fruit orchards and the poultry houses in the inland sections of my district.

Broadly speaking, Mr. Speaker, at least these things are needed, amongst others, for New Jersey agriculture:

First. Less concentration on the so-called basic crops, and more attention to the vital food stuffs which are grown in the Northeast;

Second. Less spread between the price the farmer gets and what the consumer pays; and

Third. A greatly improved and expanded crop-insurance program.

THE MANIFESTO AND THE SUPREME COURT

(Mr. ABBITT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ABBITT. Mr. Speaker, these are trying times in this great country of ours. We see on every hand agencies and arms of the Federal Government reaching out their octopuslike tentacles grasping and taking from the people

rights and privileges that were delegated to our people by the Founding Fathers of this great country of ours in the Constitution. We see an arrogant Supreme Court attempting to change the habits, customs, traditions, and mores of our people. This Court has arrogated unto itself powers never given it by the Constitution in an attempt by judicial decree to compel the people of this country to accept the sociological and political philosophy of the individual members of the Court. This Court has usurped authority and is attempting to wreck the sovereignty of our individual States.

The fateful and horrible decision rendered by the Supreme Court of the United States of America on May 17, 1954, declaring segregation in the public schools of America unconstitutional is just one of the many decisions by the Court attempting to change our way of life.

The problem created by this illegal and unfounded decision based on the political philosophy and theory of the Supreme Court Justices has done more to disrupt and damage race relations in the South than we realized at the time of the decision. It is heartening, however, to see that gradually there is an awakening on the part of a large part of the American people, particularly the editors, to the awareness of our problem in the South and the necessity for combating, overriding and changing the dreadful decision referred to heretofore. It was not based on law and legal precedent.

The people of this country are fortunate indeed to have at this time as a Member of the House of Representatives from the great State of Georgia, the Honorable E. L. FORRESTER. Representative FORRESTER is one of the most able Members of the Congress. He is an outstanding attorney of national repute, a man of high integrity and entirely fearless. I am proud to call him my friend and count it a privilege to serve in the House of Representatives with him. Representative FORRESTER has written an article explaining in detail the manifesto submitted by 101 Members of the Congress expressing their views on the Supreme Court decision referred to hereinbefore.

In an endeavor to acquaint the people of this country with what is happening to them as a result of the recent decisions of the Supreme Court of the United States, I include with my remarks the article by Representative E. L. FORRESTER entitled "The Manifesto and the Supreme Court," which appeared in the July 1956 issue of Facts Forum, which is as follows:

THE MANIFESTO AND THE SUPREME COURT
(By Representative E. L. FORRESTER, Democrat, of Georgia)

On March 12, 1956, there was submitted to the Senate and the House of Representatives a declaration of constitutional principles signed by 19 Senators and 82 Representatives, which is now commonly referred to as "The Southern Manifesto." The word "manifesto" is perhaps not fully understood by everyone, and consequently some confusion has arisen as to its meaning. However, the word "manifesto" simply means a group declaration of principles.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued July 16, 1956
For actions of July 13, 1956
84th-2nd, No. 119

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HIGHLIGHTS: Senate passed following bills: Disposal of Akron synthetic rubber laboratory. Permit processors to buy cotton futures contracts. Ready for President. Broaden law on practices in marketing perishable commodities. Eliminate delay in starting watershed projects. Ready for President. Provide for Presidential appointment of Department's legal officers. Extend time for filing Government Security Commission Report. Both Houses received proposed legislation to implement International Wheat Agreement. Senate committee reported bills to: Renew lease to railroad on ARS land in Montana. Extend special school milk program to certain institutions. Senate committee ordered reported bill for humane slaughter methods. Senate committee ordered reported mutual security appropriation bill. Sen. Johnson urged additional drought assistance for livestock industry. House conferees appointed on CCC borrowing increase bill. House passed following bills: Simplify and facilitate (continued on page 6)

HOUSE

1. COMMODITY CREDIT CORPORATION. Conferees were appointed on S. 3820, to increase the borrowing authority of the CCC. Senate conferees were appointed on July 9. p. 11522
2. BUDGETING; ACCOUNTING. Passed with amendment S. 3897, to improve governmental budgeting and accounting methods and procedures. The amendment consisted of the insertion of the language of H. R. 11526, a similar bill, after having passed the House with committee amendments. H. R. 11526 was subsequently laid on the table. p. 11522

Rep McCormack requested and received permission for the Government Operations Committee to file, by Mon. midnight, a report on H. R. 11526. p. 11589

The "Daily Digest" states that the conferees agreed to file a conference report on H. R. 9593, to simplify accounting and facilitate the payment of

obligations. p. D801

3. CONTRACTS. Passed as reported H. R. 11947, to amend and extend (until Jan. 1, 1959) the provisions of the Renegotiation Act of 1951. p. 11550
4. TRANSPORTATION. Passed as reported S. 898, to amend the Interstate Commerce Act so as to authorize ICC to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property, but to prohibit regulation of the duration of, the terms of pay under, certain trip-leasing arrangements. p. 11572
5. FARM LOANS. Conferees were appointed on H. R. 11544, to improve and simplify the credit facilities available to farmers, and to amend the Bankhead-Jones Farm Tenant Act. Senate conferees were appointed on July 12. p. 11577
6. MARKETING. Began debate on H. R. 4054, to provide a system of mortgage insurance to municipal and other political subdivisions of the States, to be administered by USDA, for the expansion of public marketing of perishable commodities. p. 11577
7. RECLAMATION; ELECTRIFICATION. Passed with amendment S. 497, to authorize the construction, operation, and maintenance of the Washoe reclamation project, Nev. and Calif. The amendment to S. 497 consisted of inserting the language of H. R. 10643, a similar bill, after having passed the House without amendment. H. R. 10643 was subsequently laid on the table. p. 11582
8. GRAIN STANDARDS. The Subcommittee on Wheat of the Agriculture Committee ordered reported to the full committee S. 11400, to protect the integrity of grade certificates under the U. S. Grain Standards Act by providing penalties for persons who knowingly sample grain improperly and for persons who knowingly load or otherwise handle grain deceptively for inspection under the Act. p. D799
9. FARM LABOR. The Subcommittee on Transportation and Communication of the Interstate and Foreign Commerce Committee ordered reported to the full committee S. 3391, to provide for reasonable requirements regarding comfort, safety, etc., of the interstate transportation of migrant farm workers. p. D800
10. WILDLIFE. The Merchant Marine and Fisheries Committee ordered reported H. R. 8250, to require conformance with State and Territorial fish and game laws and licensing requirements on Federal lands not subject to such laws. p. D800
11. LAND TRANSFER. Agreed to the Senate amendments to H. R. 8817, to provide for the transfer of certain Forest Service land to the city of Corbin, Ky. This bill is now ready for the President. p. 11577
12. LEGISLATIVE PROGRAM. Rep. McCormack announced the following legislative program for July 16 - 20: Mon., Consent calendar and the civil-rights bill; Tues., Private calendar; Wed., Committee Calendar; and balance of the week: AEC appropriation authorization increase, Defense Department point of order bill, marketing facilities bill, and bill to amend Public Law 480, 83d Congress. p. 11589
13. ADJOURNED until Mon., July 16. pp. 11589, 11595

tories which are basically the same today as when they were originally constructed but which are now being used for about 120 medical students per class, as well as for dental students, nurses, medical technicians, and other medical service groups. Portions of the university hospital are also 40 years old and in need of extensive remodeling. Dr. Diehl has written me that he has talked with many medical school deans about this and he finds that the University of Minnesota situation is typical of most of the better medical schools, and far better than average. The possibility of these medical schools being able to go forward with urgently needed additions to the teaching and research facilities of their medical schools depends upon favorable action by Congress to provide Federal funds on a matching basis for the improvement and expansion of facilities for medical education. Providing funds for medical research facilities alone is not enough.

We cannot overlook the fact, Mr. Chairman, that the 82 medical schools in the United States are the major health resource in this country. Together they produce annually over 6,000 doctors of medicine, an increase of some 14 percent since the war. In addition they provide graduate and postgraduate education to some 18,000 doctors in training and specialists and refresher courses to an even greater number of physicians. They conduct a considerable part of the education of dentists, pharmacists, nurses, physical and occupational therapists, medical social workers, and other paramedical personnel. Medical schools conduct by far the greatest part of medical research and are responsible for most of the tremendous advance in medical knowledge and care which has occurred most notably in recent years. Finally, they provide in connection with their teaching, free professional medical care to medically indigent persons of the estimated value of \$100 million annually.

According to Dr. Youmans the financial problem of the medical schools has grown rapidly ever since the war until today it threatens the maintenance of proper standards in most schools and the very existence of some of them. The problem arises from the following causes:

First. The great increase in costs of goods and services of all kinds, and the need to provide increases in wages and salaries.

Second. The concomitant depreciation in the purchasing value of the dollar; of particular importance to those schools which depend largely on endowment income.

Third. The need for even more and more costly equipment and facilities by the great increase in knowledge of science and technology to which the schools themselves have contributed largely through their research.

Fourth. The inability to meet rising cost increases by increasing the tuition which already provides only a portion—about 25 percent—of the costs of education so that each student represents a financial loss to the schools. Further increases in tuition would also lead to limiting medical education to an economically formed group.

Fifth. A decrease in endowment giving with changing patterns of the national economy.

This financial crisis, which is greater in the 41 private schools, includes the tax-supported schools as well because of generally rising costs, competition for the tax dollar, practical limitations on local taxing, and the rapidly expanding needs of education in general.

The present effort to obtain aid in solving this problem by means of Mr. Mack's amendment to S. 849 to include medical education as well as research is an attempt to solve one of the major financial problems of the schools, namely the modernization and repair of plant facilities. As Dr. Diehl explained to me many, if not most, of the schools have plants or large parts of their plant which are outmoded, run down, inadequate, inefficient, and ineffective.

S. 849 as drawn provides only for construction in aid of research. While this is highly desirable and needed, it is important to point out that buildings and equipment for medical research are of little worth without research workers. The great majority of medical research workers are educated and trained in medical schools. Unless the medical schools are kept strong, able to maintain high standards, and provide adequately and constantly advancing programs of education and training, research workers will be inadequate in number and ability and the provisions of research facilities a tragic mockery.

In order to relieve this situation the Mack amendment is vitally needed and I hope that next year we will be able to approve legislation designed to assist the medical schools throughout the Nation construct needed facilities. Only by providing aid to medical education can we make the research supports as provided in S. 849 a reality.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield.

Mr. HARRIS. In order that everyone might thoroughly understand that the issue that has been debated here is of tremendous importance in the minds of everyone, I want to point out that it did not start in 1953. This issue was a part of a highly controversial question of medical aid to education debate on which started shortly after World War II. We had it in the 80th Congress and the 81st Congress and again in the 83d Congress and now in the 84th Congress. So, it is not an easy question to resolve. Therefore, I think the appropriate decision was made here this evening that this matter should be given more study at a later date.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROONEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill S. 849, pursuant to the rule he reported the same back to the House with

an amendment adopted in Committee of the Whole.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

The title was amended so as to read: "An act to amend the Public Health Service Act, so as to provide for grants-in-aid to non-Federal public and non-profit institutions for the constructing and equipping of facilities for research in the sciences related to health."

A motion to reconsider was laid on the table.

INCREASING AUTHORIZATION FOR CONSTRUCTION AND EQUIPMENT OF NATIONAL INSTITUTE OF DENTAL RESEARCH

Mr. HARRIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3246) to increase the amount authorized for the erection and equipment of suitable and adequate buildings and facilities for the use of the National Institute of Dental Research.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that this bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the "National Dental Research Act", approved June 24, 1948 (Public Law 755, 80th Cong.) is amended by striking out "\$2,000,000" and inserted in lieu thereof "\$5,000,000".

With the following committee amendment:

Page 1, line 6, strike out "\$5,000,000" and insert "\$4,000,000".

The committee amendment was agreed to.

Mr. HARRIS. Mr. Speaker, in explanation of the bill, I would like to make the following brief statement:

The bill, as amended, proposes to increase from not to exceed \$2 million to not to exceed \$4 million the amount authorized to be appropriated for the erection and equipment of suitable buildings and facilities for the use of the National Institute of Dental Research at the National Institutes of Health at Bethesda. The existing authorization of not to exceed \$2 million for this purpose is contained in Public Law 755, 80th Congress, approved June 24, 1948, which established the National Institute of Dental Research.

Because of the intervention of the Korean conflict, construction of these buildings and facilities had to be post-

poned. Subsequent appropriation legislation did not provide funds for this purpose. In view of the fact that building costs have advanced considerably since 1948, the committee feels that an increase from \$2 million to \$4 million is needed in order to make possible the construction of the buildings and facilities for which plans have already been drawn at considerable cost.

Mr. BOLAND. Mr. Chairman, I commend the Committee on Interstate and Foreign Commerce for reporting this bill. The need for the construction of an adequate facility for dental research has been long recognized. The delay has been occasioned by the Korean conflict. Now that building materials are obtainable it is imperative that this Congress proceed forthwith to authorize its construction. The necessity for research in dentistry is keenly felt by the dental profession and dental schools. All have joined in a common effort to resolve problems connected with the teeth but have many times been stymied by lack of adequate research facilities. This bill takes a long step forward in meeting this problem. The expenditure of the sum requested will be returned many times to the Government with a realization of a reduction in dental costs occasioned by research. The public benefit of this program measured in dollars and cents fully justifies the cost. The Nation's tremendous dental bill will be greatly reduced as new techniques are developed through research.

Mr. Chairman, one of the bills in this Congress authorizing this program was filed by me. I am pleased to see it merged into the bill we are now considering and I urge the House to pass it.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks on the public health bill, where it was under consideration.

The SPEAKER. Is there objection?

There was no objection.

AMENDING INTERSTATE COM- MERCE ACT

Mr. HARRIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 898) to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that this bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. BROWN of Ohio. Mr. Speaker, reserving the right to object, is this the bill that strikes out section 22 of the Interstate Commerce Act?

Mr. HARRIS. No, it is not. A rule has not been granted on that bill. This is the trip-lease bill.

Mr. BROWN of Ohio. I withdraw my reservation of objection, Mr. Speaker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 204 of the Interstate Commerce Act, as amended (49 U. S. C., sec. 304), is amended by adding at the end thereof the following subsection:

"(e) Subject to the provisions of subsection (f) hereof, the Commission is authorized to prescribe, with respect to the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property—

"(1) regulations requiring that any such lease, contract, or other arrangement shall be in writing and be signed by the parties thereto, shall specify the period during which it is to be in effect, and shall specify the compensation to be paid by the motor carrier, and requiring that during the entire period of any such lease, contract, or other arrangement a copy thereof shall be carried in each motor vehicle covered thereby; and

"(2) such other regulations as may be reasonably necessary in order to assure that while motor vehicles are being so used the motor carriers will have full direction and control of such vehicles and will be fully responsible for the operation thereof in accordance with applicable law and regulations, as if they were the owners of such vehicles, including the requirements prescribed by or under the provisions of this part with respect to safety of operation and equipment and inspection thereof, which requirements may include but shall not be limited to promulgation of regulations requiring liability and cargo insurance covering all such equipment.

"(f) Nothing in this part shall be construed to authorize the Commission to regulate the duration of any such lease, contract, or other arrangement for the use of any motor vehicle, with driver, or the amount of compensation to be paid for such use—

"(1) where the motor vehicle so to be used is that of a farmer or of a cooperative association or a federation of cooperative associations, as specified in section 203 (b) (4a) or (5), or is that of a private carrier of property by motor vehicle as defined in section 203 (a) (17), and is used regularly in the transportation of processed or manufactured perishable commodities or products of the character referred to in section 203 (b) (6) and such motor vehicle is to be used by the motor carrier in a single movement or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based; or

"(2) where the motor vehicle so to be used is one which has completed a movement covered by section 203 (b) (6) and such motor vehicle is next to be used by the motor carrier in a loaded movement in any direction, and/or in one or more of a series

of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based."

With the following committee amendments:

Page 3, line 9, strike out "(17)," and insert "(17)."

Page 9, line 10, strike out "processed or manufactured perishable commodities or products of the character referred to in section 203 (b) (6)" and insert in lieu thereof "property of a character embraced with section 203 (b) 6" or perishable products manufactured from perishable property of a character embraced within section 203 (b) 6."

The SPEAKER. The question is on the committee amendments.

The amendments were agreed to.

Mr. FORD. Mr. Speaker, I move to strike out the last word.

Is the gentleman from Arkansas going to make any effort to explain precisely what this legislation does?

Mr. HARRIS. I shall be glad to do so. But I will say to the gentleman from Michigan that the gentleman from Georgia [Mr. DAVIS] intends to offer an amendment. I shall be glad to explain the bill now if the gentleman prefers. I want it thoroughly discussed.

Mr. FORD. With that assurance, I will be satisfied.

Mr. HARRIS. The trip-leasing legislation before us today has been before the Congress for several years. In 1953, the House Committee on Interstate and Foreign Commerce, after lengthy hearings, reported favorably on a similar bill, H. R. 3203, 83d Congress. This bill was passed by the House overwhelmingly on June 24, 1953, but was held up in the Senate without any action being taken prior to adjournment.

The present bill, S. 898, is a compromise bill. It passed the Senate on March 28, 1956. It is far different from H. R. 3203, which passed the House 3 years ago. H. R. 3203 would have prohibited the Interstate Commerce Commission from regulating the duration of any lease of a motor vehicle, or the basis for compensation to be paid for such use. S. 898 is far less restrictive on the power of the Interstate Commerce Commission in these respects, as I shall explain later, but it meets the necessary needs for agriculture.

This legislation is supported by many Members of Congress, the Department of Agriculture, the American Farm Bureau Federation, the National Grange, the National Council of Farmer Cooperatives, the National Farmers Union, the National Fisheries Institute, the Vegetable Growers Association of America, the United Fresh Fruit and Vegetable Association, the International Apple Association, and others.

So far as I know, there will be no opposition to it from the railroads, the regulated motor-carrier industry, or the teamsters union, which had previously opposed it.

Before going any further, I should explain what is meant by "trip leasing." By trip leasing, we mean the use by a motor common or contract carrier, under a lease, contract, or other arrange-

ment, of a motor vehicle not owned by such carrier for a one-way or round-trip movement of property, when such motor vehicle is operated by the owner of the vehicle, or an employee of the owner.

EXPLANATION OF THE BILL

The bill before the House would amend the Interstate Commerce Act to provide for the regulation of the use by interstate motor common and contract carriers—under leases, contracts, or other arrangements—of motor vehicles not owned by them in the furnishing of transportation of property. This is accomplished by adding two new subsections to section 204 of the Interstate Commerce Act, namely, subsection (e) and subsection (f).

Subsection (e) would authorize the Interstate Commerce Commission, subject to the provisions of subsection (f), to prescribe regulations requiring that such leases, contracts, or other arrangements shall, first, be in writing; second, be signed by the parties thereto; third, specify the period during which they shall be in effect; and, fourth, specify the compensation to be paid by the motor carrier, and requiring that a copy of such lease shall be carried in each vehicle covered thereby. This subsection also would authorize the Commission to prescribe such other regulations as may be reasonably necessary to assure that motor carriers will have full direction and control of vehicles while they are being used under such leases, and will be fully responsible for the operation thereof in accordance with applicable law and regulation, as if they were the owners of the vehicles. Requirements prescribed by or under the provisions of part II of the Interstate Commerce Act with respect to safety of operation and equipment and inspection are specifically included within the meaning of applicable law and regulation. Under these requirements, the Commission's authority would include, but is not limited to, the promulgation of regulations requiring liability and cargo insurance covering all such equipment.

Subsection 204 (f) would serve to exclude from the Commission's powers under subsection (e), as well as any other provision of part II of the act, the authority to regulate the duration of such leases, contracts, or other arrangements for the use of certain specified classes of motor vehicles with drivers, or the amount of compensation to be paid for such use thereof. The specified classes of motor vehicles are:

First. Any motor vehicle described in any of the following three paragraphs if it is to be used by the motor carrier in a single movement or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which the vehicle is based:

1. A motor vehicle controlled and operated by any farmer when used in the transportation of his agricultural—including horticultural—commodities or products thereof, or in the transportation of supplies to his farm—section 203 (b) (4a);

2. A motor vehicle controlled and operated by a cooperative association as

defined in the Agricultural Marketing Act, approved June 15, 1929, as amended, or by a federation of such cooperative associations, if such federation possesses no greater powers or purposes than cooperative associations so defined—section 203 (b) (5);

3. A motor vehicle of a private carrier of property by motor vehicle, as defined by section 203 (a) (17), used regularly in the transportation of (A) property of a character embraced within section 203 (b) (6)—ordinary livestock, fish, including shellfish, or agricultural, including horticultural, commodities, not including manufactured products thereof—or (B) perishable products manufactured from perishable property of a character embraced within section 203 (b) (6).

Second. Any motor vehicle which has completed a movement of property consisting of ordinary livestock, fish, including shellfish, or agricultural, including horticultural, commodities, not including manufactured products thereof, and such motor vehicle is next to be used by the motor carrier in a loaded movement in any direction and/or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which the vehicle is based.

Thus, the bill would give to the Interstate Commerce Commission affirmative power to regulate leasing practices, including requirements with respect to the safety of operation and equipment, but would deny to the Commission authority to regulate the duration of the lease or the amount of compensation to be paid for the use of the motor vehicle.

I should make it clear that when an agricultural hauler leases his truck with a driver to a regulated motor common or contract carrier for a backhaul, the agricultural hauler and the motor carrier may mutually agree on the rental compensation for the use of the equipment and the services of a driver, but the motor carrier must charge the published tariff rate to the shipper whose freight is being hauled, just as if the motor carrier were using his own truck for this carriage rather than a leased truck.

BACKGROUND INFORMATION

In order to understand fully the issues involved in this legislation I shall have to develop some background information.

Part II of the Interstate Commerce Act provides for the regulation of the transportation of persons and property by motor vehicle in interstate commerce.

The two principal classes of carriers regulated are common carriers, which operate under certificates of public convenience and necessity, and contract carriers, which operate under permits. For purposes of this discussion these carriers are referred to as authorized motor carriers. Outside of the scope of economic regulation and authority of the Interstate Commerce Commission, but subject to its rules and regulations with respect to the safety of operation and equipment, are four main groups of carriers who are chiefly concerned with this legislation, namely, farmers, cooperative associations of farmers, itinerant truckers who haul agricultural commodities embraced in section 203 (b) (6) of the Interstate Commerce Act, and private carriers.

Ever since the enactment of part II of the Interstate Commerce Act in 1935 it has been a common practice of authorized motor carriers of property to perform the services covered by their certificates or permits through the use—under leasing or similar arrangements—of motor vehicles owned by other persons, and in many cases such arrangements include the services of a driver. Such arrangements have never been considered to be unlawful, and have become an accepted part of the motor transportation system of the country. In fact, during World War II trip leasing was encouraged by our Government as a means of utilizing to the utmost our trucking industry and highway system as a means of furthering the war effort.

Such arrangements are made under a great variety of circumstances, in some cases covering periods of months or years. The type of arrangement with which this legislation is concerned is that of the trip leasing of a motor vehicle, with driver, for a single one-way haul or round trip. Virtually all large motor carriers occasionally trip lease a truck with driver to handle peak loads, and there are some motor carriers, who own a limited number of motor vehicles or none at all, who make very substantial use of vehicles under trip leases.

The leasing practices of authorized motor carriers have, in the opinion of the Interstate Commerce Commission, presented troublesome problems for many years.

In 1940, the Commission's Bureau of Motor Carriers began a study of such leasing practices. The study was suspended during the war, but was resumed thereafter, and in 1947, tentative rules to govern the practices were offered to representatives of the carriers for criticisms and suggestions. The motor carriers were unable to agree as to the action that should be taken to correct abuses in such practices. As a result, the Commission, on January 9, 1948, instituted, on its own motion, a proceeding respecting the lawfulness of the practices of motor common and contract carriers of property in the leasing and interchange of motor vehicles, the proceeding being docketed as *Ex parte No. MC-43, Lease and Interchange of Vehicles by Motor Carriers*.

Division 5 of the Commission, which is the division that handles motor carrier cases, decided on June 26, 1950 (51 M. C. C. 461), that there were widespread violations and evasions of the provisions of part II of the Interstate Commerce Act and the regulations prescribed thereunder, in the practices of motor carriers in augmenting their equipment by leases, contracts, or other arrangements. An examiner had recommended proposed rules, including a rule that leases must be of at least 30 days' duration, and another that compensation be on a basis other than a division of revenues. While division 5 substantially followed the examiner's recommendations in other respects, it rejected both these provisions. Subsequently the matter was reopened for proceedings before the entire Commission.

The entire Commission made its report on May 8, 1951 (52 M. C. C. 675), in

which it adopted rules which were similar to those prescribed by division 5, with the important exception that the entire Commission included the rules proposed by the examiner, but which division 5 had rejected, requiring that every lease by an authorized motor carrier for the use of motor vehicle which it did not own, when such vehicle is to be operated for the authorized carrier by the owner or by an employee of the owner of the vehicle, must be of at least 30 days' duration and that compensation must be on a basis other than a division or percentage of revenues earned with the leased equipment.

The Commission stated, in substance, that its rules were essential to maintain effective control over the operational safety, carrier responsibility, and the economics of the motor-carrier industry.

The Commission's authority to prescribe these rules was challenged in the courts. On January 12, 1953, the United States Supreme Court, in *American Trucking Associations, Inc. v. United States* (344 U. S. 298), upheld the exercise of such authority by the Commission.

The decision of the Court related, of course, solely to the power of the Commission to do what it had done. It therefore did not decide the question of the wisdom or desirability of the Commission's action.

The 30-day lease requirement in the Commission's rules is the provision to which strong objection is made. It is contended, and it seems to be admitted by everyone, that as a practical matter it would abolish trip leasing because farmers, cooperative associations of farmers, itinerant truckers and private carriers could not possibly tie up their trucks with drivers to authorized carriers, even if the authorized carriers needed them, for minimum periods of 30 days. Their need is to get a backhaul in the direction of home base, or to another harvest area where their services are required.

If trip leasing were abolished, truck haulers of agricultural commodities, livestock, and fish, who now obtain return hauls by leasing their trucks to authorized motor carriers, would no longer be able to do so, but would have to return empty. Thus, they would have to charge more for hauling such products, thereby necessitating an increase in the cost of marketing and the spread between farm and consumer prices. The economic loss involved in such wasteful use of equipment, manpower, and gasoline would be reflected in higher prices to consumers, or lower prices to farmers and other producers, or both. It is doubtful, indeed, whether the exempt haulers of agricultural commodities, livestock, and fish would be able to survive under these conditions. Hence, these agricultural haulers petitioned the Congress to establish a fair, clear policy which would preserve the economical and efficient practice of trip leasing for backhauls, and bills were introduced in the 83d and 84th Congresses to accomplish this objective.

NECESSITY FOR REGULATION OF PRACTICES CONNECTED WITH LEASING

The findings made by the Commission, on the basis of which its order was issued, indicate that regulation is necessary to deal with certain practices, growing out of the use of leased vehicles by authorized motor carriers, which tend in certain respects to prevent the effective carrying out of certain of the provisions of the Interstate Commerce Act.

The Commission found, among other things, that in many instances when authorized carriers trip-lease vehicles owned by others the safety requirements imposed under part II of the act are not observed; that the practice of trip leasing makes its difficult to fix carrier responsibility; and that some of the arrangements made between authorized carriers and the owners of trip-leased vehicles tend to hamper normal rate regulation and otherwise have an adverse effect on the economics and stability of the motor-carrier industry. It is for these reasons that the Commission issued the order of May 8, 1951.

Putting aside the controversial 30-day lease provision, the rules in the Commission's order contain a number of provisions—such as the requirement that the lease covering a vehicle must be in writing, that a copy must be carried in the vehicle, that the lease must specify the compensation to be paid, that the lease must provide for complete assumption by the carrier of responsibility for the control and use of the vehicle during the period of the lease, and so on—which are aimed directly at the abuses alleged to grow out of trip leasing.

PRESENT STATUS OF ICC LEASING ORDER

The order of the Interstate Commerce Commission, dated May 8, 1951, was scheduled to take effect on August 1, 1951. However, in response to the strong objections of agricultural interests, certain motor carriers and other parties, and in response to repeated requests of committees of the Congress, the Interstate Commerce Commission has found it necessary to postpone repeatedly the effective date of, and amend, that portion of the order dealing with the 30-day minimum rule on trip leasing. At the present time, the order, as amended, has been postponed indefinitely pending the outcome of this legislation.

As amended, the 30-day minimum leasing rule would not apply to motor vehicles used in the transportation of agricultural commodities, that is, those vehicles specified in sections 203 (b) (4a), (5), or (6) of the act. The effect of this modification is to permit authorized carriers to trip lease—without regard to the duration of the lease—a motor vehicle with driver, when such vehicle is, first, controlled and operated by a farmer, or by a farmer cooperative association or federation; and second, used for hire in carrying property specified in section 203 (b) (6) of the act, after such vehicle has completed a movement in which it was exempted from regulation by reason of sections 203 (b) (4a), (5), or (6) of the act. However, the lease of such vehicle is restricted to a single

loaded movement in any direction, or to a series of movements over reasonably direct routes in the direction of the general area in which the exempt movement originated, or in the direction of the area in which the equipment is based.

As thus modified, the Commission's order would authorize the trip leasing of motor vehicles substantially to the same degree as is provided for in the bill before the House with one important exception. The Commission's order would not permit the trip leasing of the motor vehicle of a private carrier. The committee bill would permit such trip leasing to a limited extent, namely, when the equipment of the private carrier is used regularly in the transportation of property of a character embraced within section 203 (b) (6) of the act or perishable products manufactured from perishable property of a character embraced within that section.

The committee believes that such limited trip leasing by private carriers is essential to the continuation of a flexible and efficient motor transportation service for the marketing of agricultural products and is in the public interest.

Even though the Interstate Commerce Commission has granted an exemption from the 30-day minimum leasing rules to agricultural haulers, this committee is, nevertheless, of the opinion that such exemption should be provided by statute. Several agricultural witnesses have expressed the fear that unless these exemptions are specifically provided for in the law, the Commission may, at some later date, cancel such exemption. The committee shares this view.

CONCLUSION

The committee believes that this legislation will meet the essential needs of agriculture. It will not impair the authority of the Interstate Commerce Commission over the safety of operations or over the economic regulation of the motor carrier industry. The bill is a compromise which will satisfy nearly all the parties concerned with the very difficult and complex problems embraced by this legislation.

I urge the House to approve this bill.

Mr. DAVIS of Georgia. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia: Strike out all of line 9 on page 3 after the figure "17" down to and including the figure "6" where it appears in line 15 on page 3.

Mr. DAVIS of Georgia. Mr. Speaker, this amendment would strike out the provision on page 3 which restricts this bill and the right to have return-trip leases to property of the character embraced within section 203 (b) (6) or perishable products manufactured from perishable property of a character embraced within section 203 (b) (6).

I have no objection whatever to offering or guaranteeing to these producers of agricultural commodities the protection which is sought by this bill. There are, however, actual, honest, bona fide owners and operators of privately owned

motor carriers who find it expedient and economical to deliver their own products to markets at varying distances from their manufacturing plants but who have no return movement with which to load their vehicles and thus counteract the cost of getting a return movement.

I am perfectly willing for the members of the agricultural segment of our population to have the protection which they deserve, but I cannot see the justice of discrimination against the businessman who is operating his own motor vehicles in order to save money and transportation charges and needs a flexible, legitimate method of trip leasing his equipment for a return haul. If they act in good faith and do not by subterfuge seek to circumvent their legal responsibilities they should have the right and the privilege to lease their vehicles to a motor common carrier for a legitimate operation in the home direction of the private truck owner.

A glance at the bill will indicate that it gives to the Interstate Commerce Commission the authorization to promulgate regulations and require that any such lease contract or other arrangement shall be in writing and be signed by the parties thereto, shall specify the period during which it is to be in effect, and shall specify the compensation to be paid by the motor carrier and requiring that during the entire period that any such lease contract or other arrangement a copy thereof shall be carried in the motor vehicle covered thereby.

Mr. FLYNT. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield.

Mr. FLYNT. I will ask the gentleman from Georgia if it is not true that his amendment will in no way affect the rights of owners of trucks and trailers transporting agricultural products, which they have under the bill as brought in by the committee.

Mr. DAVIS of Georgia. I so understand the amendment.

Mr. FLYNT. And is it not also true that the effect of the amendment offered by the gentleman from Georgia would be to provide the sale and distribution of many processed and manufactured products at lower net cost to the consumer?

Mr. DAVIS of Georgia. I believe it would. I believe it would permit these owners to lease their privately owned vehicles to motor common carriers for legitimate return movement, and I think also it would protect bona fide private truck owners in the leasing of their equipment for a return movement.

I believe it is a good amendment. I hope the committee will agree with me and act favorably upon it.

Mr. HARRIS. Mr. Speaker, I rise in opposition to the amendment.

In the last Congress, you will recall, we had quite a controversy over this problem. We passed a bill in the House, which was H. R. 3203, if I recall correctly, but it was not concurred in by the other body, and it, therefore, died.

The problem of trip leasing is not new. As I have stated, this practice has led to some abuses in our transportation sys-

tem. Nevertheless, trip leasing has been recognized as highly necessary in the interest of transporting farm commodities to the market. Also, common carriers and contract carriers have found it necessary to trip lease vehicles in many instances. It did, therefore, present quite a problem in our whole transportation program. Actually, the Interstate Commerce Commission became greatly concerned. Efforts were made to do something about this problem in the last Congress, as I have explained, and we have tried to meet the problem. Nevertheless, there were serious objections at that time to the program as the House had worked it out.

This time, I may say that we have used a great deal of care, and we have practically everyone in agreement with the legislation reported to the House.

This bill passed the Senate. It provided that motor vehicles of farmers and farmer cooperative associations and vehicles which had completed a movement of property covered by section 203 (b) (6) could trip lease back. In the Magnuson amendment that was adopted on the floor of the Senate it was provided that private carriers that were transporting perishable commodities or products of the character referred to in section 203 (b) (6) to market—that was the intention of it—would have the privilege of trip leasing back home.

Under the Magnuson amendment, the trip leasing of vehicles of private carriers transported perishable commodities, as an example a truck that would take a load of frozen orange juice from Florida to New York, would have the privilege under this bill to trip lease back to Florida. On the other hand if this motor vehicle of the private carrier were to transport, say, some canned orange juice to the New York market, then it would not be permitted to trip lease back home. That is the distinction in the extent of trip leasing by private carriers which the Senate-approved bill would permit.

The point is that the farm groups of the country are anxious that this matter be settled because of the importance of it to the agricultural industry. If the Senate language is not retained I am just as certain that we will have no bill as I am that I am standing here. I have worked hard, and I know the other members of our committee have worked hard, in trying to arrive at a satisfactory compromise this year.

I know precisely the gentleman's intention. I appreciate it, I understand it. However, the gentleman's amendment would put every private carrier in the country in the business of trip leasing. That is precisely what the common carriers and everybody else do not want. Consequently, if this is adopted we would get right back where we were 3 years ago into a situation that would not be acceptable.

Mr. MILLER of Maryland. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Maryland.

Mr. MILLER of Maryland. The gentleman used the example of canned goods. Under the bill as drawn and reported by the committee, would motor

vehicles which hauled agricultural products be permitted to trip lease?

Mr. HARRIS. If they transported agricultural commodities of the character referred to in section 203 (b) (6), they would be permitted to trip lease. In the case of private carriers, if their motor vehicles hauled perishable products manufactured from perishable commodities specified in section 203 (b) (6) the vehicles would be permitted to trip lease. If it were not a perishable manufactured product, then trip leasing would not be permitted.

Mr. MILLER of Maryland. If it is normally not perishable, even though an agricultural commodity, trip leasing would be permitted under the provisions of this bill?

Mr. HARRIS. That is right.

Mr. MILLER of Maryland. Under the amendment offered by the gentleman from Georgia, canned goods would be transportable under the broader provision?

Mr. HARRIS. Under the amendment offered by the gentleman from Georgia trip leasing by all private carriers would be permitted, and that is the objection to it.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Michigan.

Mr. FORD. How would the amendment offered by the gentleman from Georgia compare with what the House approved 3 years ago?

Mr. HARRIS. It would do precisely what the House agreed to 3 years ago, which was not acceptable to the other body.

Mr. FORD. In other words, the amendment offered by the gentleman from Georgia makes the bill, if approved, practically identical with what the House approved 3 years ago?

Mr. HARRIS. It would have the same result, I will say that; maybe a little more restricted but practically the same result.

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from California.

Mr. JACKSON. To go back to the instance cited, let us assume that I am a shipper from California. If I have a truck and ship orange juice to New York, then what?

Mr. HARRIS. You are a private carrier?

Mr. JACKSON. And if I ship canned orange juice, I cannot—

Mr. HARRIS. Trip lease back. That is right.

Mr. JACKSON. The Federal Government is telling me what I cannot do with my own property?

Mr. HARRIS. Well, you necessarily come under the same regulations as all motor carriers.

Mr. JACKSON. You mean even though the truck is mine? I am not asking this in a contentious spirit but as a point of information.

Mr. HARRIS. In order to go into the common or contract carrier business, you must have a certificate or permit from the Interstate Commerce Commission.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from California.

Mr. PHILLIPS. In the case the gentleman from California [Mr. JACKSON], speaks of, the shipper who came up with a truckload can buy anything he wants and take it back, but the bill says he cannot enter into competitive business with any common carrier.

Mr. HARRIS. The gentleman is correct.

Mr. PHILLIPS. We have here sort of a practical situation that I think the gentleman will agree with.

Mr. HARRIS. I thoroughly agree, and that is the reason I am opposing the amendment.

Mr. PHILLIPS. And which I would also oppose, and with complete sympathy for what the gentleman from Georgia wants, because we have a situation here which we would like to apply to everybody. But then the bill would not go through on the other side. We have the practical situation confronting us. So, what we ought to do is to put through a bill before the House and discuss the other features at a separate time.

Mr. HARRIS. Yes.

Mr. MACK of Illinois. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Illinois.

Mr. MACK of Illinois. I know this committee has worked on this subject for quite a long time. I would like to ask if the effect of this amendment would not be to kill this bill.

Mr. HARRIS. That is my judgment.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I had some of the delicious peaches which were given us by the gentleman from South Carolina yesterday [Mr. DORN] and we will use that as an example. Suppose they are shipping peaches from South Carolina to Washington. If that carrier cannot pick up a load here to take back, does not that enter into the cost of the peaches to the consumer? In other words, it costs the consumer more that way. But if he could bring those peaches in and get a load back, that would reduce the cost of the peaches to the consumer and at the same time bring about more rapid turnover. What is wrong with that?

Mr. HARRIS. Yes, peaches are an agricultural exempt commodity. Let me say that the truck which brought those luscious, juicy peaches that our friend, Mr. DORN, furnished us the other day would be permitted to trip lease back under the provisions of this bill.

Mr. MARSHALL. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Minnesota.

Mr. MARSHALL. The Department of Agriculture and the farm organizations are concerned about the word "regularly," and have suggested to the gentleman's committee that in place of the word "regularly" they use "in the regular course of business." That is on line 11, page 3 of the bill. Could the gentleman clarify that for me? It seems to

me that the farm organizations and the Department of Agriculture are concerned since the word "regularly" may be interpreted to mean a scheduled trip.

Mr. HARRIS. Yes. That was a matter of concern, but we did work it out with the interested groups involved, including the farm organizations. If the gentleman has a copy of the bill he will see that it contains the amendment that we worked but with them and he can see how it applies.

Mr. MARSHALL. The gentleman means that the amendment he worked out makes it satisfactory to the farm organizations and the Department of Agriculture?

Mr. HARRIS. Yes.

Mr. MARSHALL. I thank the gentleman.

Mr. HARRIS. And I might say to the Senate committee.

(Mr. HARRIS asked and was given permission to revise and extend his remarks.)

Mr. KING of Pennsylvania. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, as one who is quite familiar with the shipment of perishables throughout the United States, I want to take a minute or two to assure you that we should pass this bill, to avoid the threat of complete destruction of the system of hauling agricultural products to market. That threat was made by the ICC when they issued an order prohibiting the trip-lease for the back haul. Farmers run their trucks and they hire independent private carriers to haul their produce to market. But in order to get a reasonable rate, these trucks need to go into the field of regulated merchandise in order to get a back haul. To do that they have always had this privilege of trip-leasing.

The ICC wanted to rule that out and set up a minimum of 30 days in which they must trip-lease. The purpose of this bill is simply to keep the ICC from issuing any such order. Such an order would so completely disrupt our system of agricultural merchandising that we certainly today should pass this bill as written by the committee.

Mr. MILLER of Maryland. Mr. Speaker, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Maryland as a substitute for the amendment offered by Mr. DAVIS of Georgia: On page 3, line 13, strike out the word "perishable."

Mr. MILLER. Mr. Speaker, the purpose of this amendment is merely to go not quite so far as the amendment offered by the gentleman from Georgia but to protect the interest of agricultural perishable products producers and to get away from the technicality about whether the goods carried are in perishable form or whether they are packed and canned and would be unable to be used to get the benefit of that provision.

As you know, many producers pack their products before it is carried to market. If they are limited so that they cannot carry canned goods to and fro it will not only cost the producers, it will cost the housewives, and it will put

many very worthy operators out of business. Therefore, I urge the adoption of my substitute amendment.

Mr. WOLVERTON. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Maryland. I yield to the gentleman from New Jersey.

Mr. WOLVERTON. I am fearful that this effort to make an amendment to the bill, if it is adopted, might result disastrously to the very interests we are trying to be helpful to in this legislation. Knowing something, as I do, of the matter after a period of 2 or 3 years in connection with it, I would say that if I were in the position of the gentleman, who I know to be very much interested in the subject of agriculture, I would leave well enough alone as it is and be sure of getting the benefit of what this bill provides.

Mr. LANKFORD. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Maryland. I yield to the gentleman from Maryland.

Mr. LANKFORD. As the gentleman probably knows, shellfish are included in section 203 along with agricultural products.

Mr. MILLER of Maryland. That is right.

Mr. LANKFORD. Is not the gentleman's amendment aimed at allowing those packers of oysters who, for instance, both freeze and pack oysters, to put the packed oysters in the same category with the frozen oysters?

Mr. MILLER of Maryland. That is true. All the producers of any food, agricultural, seafood, or any perishable product of that nature. It seems to me, as I understand, this restriction in the bill from the other body was put in the bill on the floor hastily by amendment. It was not considered by the committee. I do not see why we should be too timid about ascertaining the views of the House. If we adopt this position, it is still a weaker position than the House took 2 years ago.

Mr. DEVEREUX. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Maryland. I yield to the gentleman from Maryland.

Mr. DEVEREUX. What is the justification for excluding these other commodities of agricultural produce?

Mr. MILLER of Maryland. To my thinking, the only justification would be that it is an effort to prevent as much trip leasing as possible by the parties that do not believe in trip leasing at all.

Mr. DEVEREUX. Perhaps the chairman of the committee could explain that.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Maryland. I yield to the gentleman from Indiana.

Mr. HALLECK. Let me say at the outset, that I served on the Committee on Interstate and Foreign Commerce for a long time and dealt with this problem there, with the whole problem of trip leasing. The very arguments that are made in favor of it run pretty much counter to the whole philosophy of the regulation of transportation. So you start out with the proposition that it is an exception to the regularly established body of the law dealing with

transportation. As you begin to extend the exception, obviously you run into more difficulties and more complaints from the common and contract carriers who hold themselves out to perform these services on regularly scheduled operations. So I can understand the position taken by the people on the committee when they point out that if you undertake to extend the exception too far we might wind up with no legislation at all.

Mr. MILLER of Maryland. I can understand the gentleman's view on it. It may be perfectly sound, but I cannot feel we are extending this provision very far to correct a situation that provided a frozen can of fruit can, and a canned can cannot.

Mr. McINTIRE. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Maryland. I yield.

Mr. McINTIRE. I would like to ask the gentleman if there is not a danger in the substitute which the gentleman is offering of flying very seriously into the face of the definition under which we have an exemption for agricultural commodities, and if we are not jeopardizing the whole principle of that exemption which is provided in our transportation act.

Mr. MILLER of Maryland. I would not think that striking one word out of that line would upset the situation too much. I think my substitute would be more acceptable for that reason than the amendment offered by the gentleman from Georgia.

Mr. HARRIS. Mr. Speaker, I rise in opposition to the substitute amendment.

Mr. Speaker, I feel somewhat like the gentleman from Kentucky. We have a practical situation here with a very, very highly important and technical problem. We have worked long and hard to get this problem worked out where it is agreeable to almost everyone. I do not say everybody in the business, but the private carriers or some of them would like to have it wide open, as it has been in the past. Since we have worked this legislation out by this language here and know precisely what it is, I am fearful that at this stage of the session if we change language, we are going to find ourselves again without any bill at all.

The Interstate Commerce Commission has postponed the effective date of their order from time to time. It was first to have gone into effect on July 1 and because of the consideration being given by the Congress, it has again been postponed. If we should adjourn this session of the Congress without clearing this matter up, I am fearful of what is going to happen. Then the agricultural industry of this country is going to suffer and suffer terrifically.

The SPEAKER. The question is on the substitute amendment offered by the gentleman from Maryland.

The substitute amendment was rejected.

The SPEAKER. The question is on the amendment offered by the gentleman from Georgia [Mr. Davis].

The amendment was rejected.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

(Mr. HARRIS asked and was given permission to revise and extend his remarks on the bill just passed.)

AMENDING BANKHEAD-JONES FARM TENANT ACT

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 11544) to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Farm Tenant Act, and for other purposes, with amendments of the Senate thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. COOLEY, POAGE, GRANT, HOPE, and AUGUST H. ANDRESEN.

CONVEYANCE OF PROPERTY TO CITY OF CORBIN, KY.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8817) to provide for the conveyance of certain property of the United States to the city of Corbin, Ky., with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 3, after "by" insert "such qualified contract appraiser or appraisers as."

Page 2, line 4, after "Services" insert "shall select."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. HALLECK. Mr. Speaker, reserving the right to object, do I understand this bill which previously passed the House and was passed in the other body with an amendment, that the gentleman is simply seeking now to concur in the Senate amendments?

Mr. COOLEY. The gentleman is correct.

Mr. HALLECK. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

MARKETING FACILITIES FOR PERISHABLE AGRICULTURAL COMMODITIES

Mr. COOLEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4054) to

encourage the improvement and development of marketing facilities for handling perishable agricultural commodities.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HALLECK. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. COOLEY. This is known as the marketing facilities bill. A similar bill passed the House unanimously some time ago. I think it was in the 81st Congress. In the 82d Congress the bill was sent back to the committee for the reason that there was at that time a shortage of building materials on account of the Korean conflict. The bill has been considered by our committee time and time again. I do not know of any objection to the bill at this time. I believe that the bill is in the interest of both the producers and consumers of perishable agricultural commodities. It authorizes the Federal Government to underwrite the building or terminal markets throughout the country. In many places we have antiquated marketing facilities dating back more than 100 years. The matter has been considered for the past 30 years, I suppose.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. FORD. As the gentleman knows, I contacted him with reference to this legislation, urging that action be taken on it. I wonder if the gentleman is going to ask permission for all Members to insert their remarks in the Record.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks in the Record at this point.

Mr. HALLECK. Mr. Speaker, I thought I had the floor.

Mr. COOLEY. I beg the gentleman's pardon. I was just making a unanimous-consent request that all Members might extend their remarks.

Mr. HALLECK. I do not know that that would be in order, as the other unanimous consent has not been disposed of.

Mr. COOLEY. I withdraw it, Mr. Speaker.

Mr. HALLECK. Since this has been called up, some Members have indicated they want to speak on it.

Mr. COOLEY. I understood that Mr. KING has some views that he would like to express. I am prepared to listen to him, but I hope we can pass this bill and send it to the Senate.

Mr. HALLECK. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KING of Pennsylvania. Mr. Speaker, reserving the right to object, I ask for 5 minutes to make a statement.

The SPEAKER. After consent is granted for consideration of the bill would be the time for the gentleman to strike out the last word and get 5 minutes.

Is there objection to the present consideration of the bill?

Mr. CURTIS of Missouri. Mr. Speaker, reserving the right to object, I recall that in the 82d Congress there was a bill along this line that referred specifically to marketing facilities in the city of Philadelphia. That bill was defeated.

Mr. COOLEY. No. No. The bill has always been uniformly applicable throughout the Nation. We discussed a market in Philadelphia as one of the antiquated facilities that existed.

Mr. CURTIS of Missouri. I remember speaking on that particular bill, and if my memory does not fail me, it was defeated in the House.

Mr. COOLEY. No, it was not defeated.

Mr. CURTIS of Missouri. Mr. Speaker, I object.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4054) to encourage the improvement and development of marketing facilities for handling perishable agricultural commodities.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4054, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from North Carolina [Mr. COOLEY] will be recognized for 30 minutes and the gentleman from Kansas [Mr. HOPE] for 30 minutes.

Mr. COOLEY. Mr. Chairman, the gentleman from Kansas is not on the floor, but the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], the next ranking minority member, is present.

The CHAIRMAN. The gentleman from Minnesota will be recognized at the proper time.

The Chair recognizes the gentleman from North Carolina.

Mr. COOLEY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I do not want to burden the Members of the House unduly by a detailed discussion of this legislation. I think most of the Members of the House are entirely familiar with the provisions of this bill.

Before undertaking a discussion of the measure further I would like to say that it seems to me there is some confusion about this particular piece of legislation. I would like to ask the gentleman from Missouri [Mr. CURTIS], if he would like to clarify the remark he made about the Philadelphia area?

Mr. CURTIS of Missouri. This is the same bill, if I am not mistaken, that was brought out in the 82d Congress. One of the examples used in the debate was the character of the facilities in Philadelphia. I remember taking part in that debate.

That bill was defeated. I have had a chance to look at the present bill briefly. It looks like the same subject matter, getting the Federal Government into the business of guaranteeing the cost of setting up these markets.

Mr. COOLEY. The gentleman evidently was not listening when I said to the House that this was an identical bill to that which was recommended to the committee in the 82d Congress on motion of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], who at that time felt that the bill should not pass the House because there was a shortage of critical building material when we were engaged in the Korean war. Since that time the situation has cleared up. The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has assured us of his support for the measure.

Mr. CURTIS of Missouri. No, the bill was recommitted and it was recommitted because among other arguments presented against it—and I presented it myself—was that the Federal Government ought not go into this business.

Mr. COOLEY. I do not recall what the gentleman's words were.

Mr. CURTIS of Missouri. I am talking about the debate on the floor of the House.

Mr. COOLEY. I do not mean to say that the bill was unanimously passed.

Mr. CURTIS of Missouri. It was defeated.

Mr. COOLEY. No; it was not defeated; it was recommitted.

Mr. CURTIS of Missouri. I do not know what happened in the 81st Congress, but in the 82d Congress this matter came on the floor and was defeated, and one of the reasons was that the Federal Government should not enter this field of activity.

Mr. COOLEY. In our report the committee says that the bill was reported favorably again by the House Committee on Agriculture in the 81st Congress and the House referred it back to this committee after debate in which it was stressed that due to the Korean conflict building materials were scarce and the time was not favorable for taking this step. That is correct.

Mr. CURTIS of Missouri. All right. I would say to the gentleman that his record is not complete because it should have contained also of the reasons advanced, that this was not an area in which the Federal Government ought to engage.

Mr. COOLEY. The reason was because of the shortage of materials due to the Korean war.

Mr. CURTIS of Missouri. I beg to differ with the gentleman. Quite a number of people spoke on the advisability of whether the Federal Government should go into this area of operation.

Mr. COOLEY. I think that the Record further shows that the bill passed unanimously in the previous Congress. Anyway the gentleman had a perfect right to oppose the bill. It is presented to you on its own merits. It deals with a subject which has engaged the attention of the Federal Government in the legislative branch and the executive branch for more than 30 years.

If you will read the report you will see that the Federal Trade Commission conducted a thorough examination and investigation into the marketing facilities in the country. Thirty-six years ago a report was made. Here is what that report said 36 years ago:

The wholesale market districts of large cities are without a doubt the factor most responsible for the excess expense of marketing perishable foods up to the time they come into the hands of retailers and are the cause, directly or indirectly, of much of the loss, waste, and excess cost disclosed in the report.

Any wholesale market approaching the ideal would have direct rail connections for the speedy delivery of cars to one union produce terminal, where cars will be placed directly at the stores of the dealers. It would provide the necessary terminal and marketing facilities, including adequate, properly regulated, and sanitary warehouses and cold-storage space. It would also eliminate all cartage between the freight yards and the stores of the wholesale dealers and commission men.

The present market districts of such cities as New York, Chicago, Boston, etc., as well as those of other markets are utterly inadequate. They are not strategically or logically located. None of them has direct rail connection nor are they arranged for the direct unloading of shipments by water. Every pound of food must be trucked into and out of the district. * * * The majority of the markets are crowded into old, congested districts which perhaps were adequate 30 to 60 years ago, but which have received little intelligent attention for a generation or more, while the population we have has vastly increased. * * * In a word, the marketing of foodstuffs has been left to take care of itself.

If the wholesaling of foods is to be placed on an efficient basis the first and most obvious requirement is that respecting physical equipment. Facilities adequate to meet every need should be provided for the receiving, handling, storing, preserving, buying, selling, and delivering, of perishable foods. This requirement will not be met under the present organization of the marketing system. The benefits arising from economical physical handling of its food supply are dependent upon such public action as will secure the facilities required.

That report, as I say, was submitted 36 years ago. I have been interested in this subject for 11 years. In 1945 I was head of a subcommittee that conducted an investigation of the terminal markets in metropolitan areas.

Mr. BEAMER. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Indiana.

Mr. BEAMER. Could the gentleman advise the committee whether or not the Department of Agriculture and other agencies involved have given approval to this legislation?

Mr. COOLEY. The marketing division of the Department of Agriculture has worked closely with our committee throughout the years in trying to secure the passage of this legislation. The Secretary of Agriculture has taken the position in reporting on this measure that it is a job that should be done by private industry. Everyone of us knows that private industry has not done the job and private industry will not do it. There is a very good reason why. If you will take into consideration the Washington Street market in the city of New York, 20 percent of the produce that goes through that market comes from the State of California.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

July 17, 1956

15. DAIRYING; POSTAL RATES. Sen. Wiley inserted correspondence from the dairy industry opposing increases in postal rates. p. 11800
16. LEGISLATIVE PROGRAM. Sen. Johnson announced that the Hells Canyon dam bill, Mutual Security appropriation bill, and executive pay bill will probably be considered this week; that there will be night sessions this week, and possibly a session on Sat., July 21; and that it is hoped that the business of this session can be concluded some time next week. pp. 11804, 11920

HOUSE

17. THE AGRICULTURE COMMITTEE ordered reported the following bills: p. D819
- S. 2246, to authorize the sale of certain lands to the city of Wells, S. Dak.
- S. 1089, to authorize the Secretary of Agriculture to sell at not less than the appraised value, and under such terms and conditions as he deems appropriate, lands in the national forests which are isolated parcels or narrow projecting strips, when he finds such lands suitable for private ownership and better adapted to commercial, agricultural, residential, or other private purposes than to national forest purposes.
- S. 4058, to extend for 10 years the lease of a tract of research station land to the Chicago, Milwaukee, St. Paul and Pacific Railroad Co.
- S. 2216, to amend the Act of March 4, 1915, to permit the use and occupancy of national forest lands for industrial and commercial purposes, and by States or political subdivisions for constructing facilities for education or other public uses.
- H. R. 5275, to authorize FCIC to provide reinsurance on any crop or plantation insurance provided in Puerto Rico by a duly-authorized agency of the Commonwealth of Puerto Rico.
- H. R. 11958, to amend the acreage reserve provisions of the Soil Bank Act to permit inclusion of acreage up to 30 days prior to harvest.
18. MILITARY CONSTRUCTION; SURPLUS COMMODITIES. Passed without amendment H. R. 12270, to authorize certain construction at military installations. The bill authorizes the Secretary of Defense to use for family housing in foreign countries, foreign currencies not to exceed \$250 million acquired pursuant to the provisions of the Agricultural Trade Development and Assistance Act of 1954, or through other commodity transactions of the CCC. p. 11924 (This bill supersedes H. R. 9893, the military construction bill, which was vetoed by the President.)
19. FORESTRY. Received the conference report on H. R. 6376, to provide for the hospitalization and care of the mentally ill in Alaska, including a grant of not to exceed one million acres of public lands (includes lands eliminated from the national forests) (H. Rept. 2735). p. 11934
- Rep. Dixon spoke in support of H. R. 8898, to authorize the purchase of additional lands in the Cache National Forest, Utah. p. 12021
20. ATOMIC ENERGY. Rep. Holifield urged that increased effort be made to develop peaceful uses of atomic energy in the creation of low-cost electric power facilities. p. 12016
- The Rules Committee reported resolutions for the consideration of the following bills: P. 12028

H.R. 9743, to encourage maximum development of atomic energy reactors for the generation of low-cost electric power and the production, utilization, and treatment of special nuclear and other materials.

H.R. 12050, to amend the Atomic Energy Act of 1954, so as to provide Federal reinsurance on certain atomic energy reactors.

21. ELECTRIFICATION. Rep. Johnson, Wis., supported the construction of a Federally owned high dam at Hells Canyon, and inserted a newspaper column relative to this subject. p. 12021

The Interior and Insular Affairs Committee ordered reported S. 3338, regarding rates charged to public bodies and cooperatives for electric power generated at Federal projects. p. D819

22. TRANSPORTATION. Rep. Dixon spoke in support of S. 898, the trip-leasing bill, as being "absolutely essential to the efficient marketing of agricultural commodities." p. 12025

23. FARM LABOR. The Interstate and Foreign Commerce Committee ordered reported S. 3391, to provide for reasonable requirements regarding comfort, safety, etc., of the interstate transportation of migrant farm workers. p. D820

24. LANDS. The Interior and Insular Affairs Committee reported without amendment S. 3458, to grant leave of absence to homestead entrymen and to permit suspension of cultivation and improvement operations on homestead and desert land entries (H. Rept. 2737). p. 12028

The Agriculture Committee reported without amendment S. 2572, to authorize the interchange of lands between this Department and the military departments of the Defense Department (H. Rept. 2747). p. 12028

25. RUBBER. The Armed Services Committee reported without amendment S. 3832, to provide for the disposal of the Government-owned synthetic rubber research laboratories at Akron, O. (H. Rept. 2741). p. 12028

26. PERSONNEL. The Government Operations Committee reported with amendment H.R. 11515, to provide for the payment of travel and transportation costs for persons selected for appointment to certain Federal positions in the U. S. and Alaska (H. Rept. 2742). p. 12028

27. FLOOD INSURANCE. The Banking and Currency Committee reported with amendment S. 3732, to provide insurance against flood damages (H. Rept. 2746). p. 12028 (For a summary of the provisions of this bill as reported in the Senate, see Digest No. 72.)

28. GRAIN STANDARDS. The Agriculture Committee reported without amendment S. 1400, to protect the integrity of grade certificates under the U. S. Grain Standards Act by providing penalties for persons who knowingly sample grain improperly and for persons who knowingly load or otherwise handle grain deceptively for inspection under the Act (H. Rept. 2748). p. 12028

29. BANKING. The Rules Committee reported a resolution for the consideration of H. R. 11261, to extend, until June 30, 1963, the Export-Import Bank Act of 1945. p. 12028.

30. LABOR STANDARDS. The Rules Committee reported a resolution for the consideration of H. R. 11799, to amend the Fair Labor Standards Act of 1938 relative to minimum wages under Federal construction contracts in Samoa, Wake, and Guam Islands. p. 12028

EXHIBIT 3—Continued
Donations—Continued

Donor	Acres	Forest Service appraisal and estimated value of land, time of donation	Actual or estimated cost of land to donor	Other estimated cost	Total cost, actual and estimated, to donor
Ogden Chamber of Commerce, and local civic clubs bought 560 acres and sold to the United States at a loss of.....			\$680		\$680
Weber County Watershed Protective Corp. bought 4,742 acres and sold to the United States at a loss of.....			3,538		3,538
Total.....	15,725.99	\$45,384	94,518	\$1,505	96,023

NOTE.—Acreages and values of administrative sites formerly reported as donations are not included.

EXHIBIT 4

WEBER COUNTY WATERSHED

PROTECTIVE CORPORATION,
Ogden, Utah, May 11, 1956.

Congressman H. ALDOUS DIXON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN DIXON: I appreciate your letter of April 24 in which you ask more specific information about the land we have in sight for purchase with the \$200,000 carried in H. R. 8898. The map which was sent with the last material indicates these areas in red. I am locating them below more specifically by section, township, and range:

	Acres
T6N, R1E, Salt Lake Base and Meridian, secs. 6, 26, 34, and 35.....	1,400
T7N, R1E, sec. 32.....	320
T7N, R1W, secs. 13, 15, 16, and 17.....	1,100
T8N, R1W, secs. 3, 4, 6, 7-10, 15-19, 21, 27, 28, 32.....	6,660
T8N, R2W, secs. 12 and 13.....	960
T9N, R1W, secs. 4, 5, 7-9, 16-21, 28, 33.....	5,540
T10N, R1W, secs. 17, 18, 20, 29.....	780
T11N, R1W, secs. 3, 4, 10.....	1,060
T12N, R2W, secs. 26, 33-35.....	1,330
	18,830

We anticipate that an average of \$10 per acre will be necessary to secure the land listed above. Some can be purchased for less and some will cost considerably more. These lands are presently owned by various private parties. The largest single ownership is in T8N, Ranges 1 and 2 West where about 6,000 acres is owned by Samuel J. Smith of Ogden.

The smaller ownerships may be picked up at various times with the annual \$10,000. The larger blocks will require more in order to make a purchase.

I hope the above information may be of use to you in your attempt to get passage of this important piece of legislation.

Sincerely yours,

G. STANLEY BREWER,
President, Weber County Watershed
Protective Association.

EXHIBIT 5

DEPARTMENT OF AGRICULTURE,
Washington, D. C., May 15, 1956.

Hon. H. A. DIXON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN DIXON: This is in reply to your letter of May 2 concerning H. R. 8898 to authorize the appropriation of funds for the purchase of some land within the Cache National Forest in Utah.

We believe that the amendment proposed by the Department in its report of May 15, 1956, to the chairman of the Committee on Agriculture would ordinarily be interpreted as recognizing for matching purposes only donations of land or funds from local sources

which occur subsequent to enactment of the bill.

In accordance with your discussion with Assistant Secretary Ralph Roberts, we believe that the simplest way for local contributions to be credited retroactively toward the matching requirements proposed by the Department would be the inclusion of appropriate language in the committee report on the bill. If the committee desires that past local contributions be considered in meeting the matching requirements, we believe the Department would so interpret the bill if the committee report contained such language as:

"It is the intention of the committee that donations of lands or funds by local agencies, organizations, or persons since _____ (date) be counted toward meeting the matching requirements of the bill."

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

ADEQUATE TRANSPORTATION FOR
FARM PRODUCTS

Mr. DIXON. Mr. Speaker, I speak in support of S. 898. In essence, this bill provides that the Interstate Commerce Commission shall not regulate the duration of truck leases in these circumstances.

First. Where the truck is owned by a farmer or cooperative and is to be trip leased home in one or more of a series of movements.

Second. Where private carriers regularly are used to carry processed or manufactured perishable agricultural commodities and is to trip lease home in one or more of a series of movements.

Third. Where the truck concerned has handled agricultural commodities and is to be used next in a loaded movement in any direction or in one or more of a series of movements toward home.

Mr. Speaker, I believe this bill is absolutely essential to the efficient marketing of agricultural commodities. More efficient marketing, of course, means lower prices to consumers, higher prices to farmers, and increased demand for agricultural commodities. At this time when agriculture is beginning to recover pricewise from a low-price period of long duration, I believe it is absolutely essential not only to their welfare, but also that of the processors and consumers of agricultural commodities, that every effort be made to minimize the cost of marketing and to expedite the flow to market of agricultural commodities, especially those which we designate as

perishable commodities—fruits, vegetables, dairy, and meat products.

Mr. Speaker, unless this bill is passed, it is evident to me that depending upon common carriers alone, operating over specifically designated routes, will not satisfactorily meet the transportation needs of farmers. Common carriers, as you know, do not load at the farm gate. Most of them do not have loading facilities in agricultural areas. What few there are simply are not sufficient to meet adequately the needs of farmers. I should also like to point out that farmers cannot stand the cost of having to provide transportation from their own farms to loading centers where common carrier service is available. In this respect, I should further like to point out that common carriers do not reach all agricultural markets. This would mean that costly delays are involved in re-routing over common-carrier routes to appropriate markets of agricultural commodities. Efficient and economic marketing of agricultural commodities require fast and adequate transportation to all possible markets. Producers of agricultural commodities must be able to ship to all possible markets since on different days different markets may offer the best possible prices. Adequate transportation to all possible markets is essential if market gluts are to be prevented, and, also, if people living in different marketing areas are to be uniformly supplied with their needs. If farmers must ship by common carrier only, this obviously restricts their number of market outlets. It also restricts, as a result, the ability to get the best possible prices for their commodities.

In addition, Mr. Speaker, I should like to point out that exempt truck haulers give farmers personalized service which common carriers of necessity simply cannot supply. Individual truckers, for example, learn how to handle different farmers' livestock and commodities in the way they desire. Truckers also can readily adjust their operations and movements to meet farmers' needs better than can common carriers operating on a time schedule and over specified routes. Likewise, many truck haulers check alternative market prices for farmers before delivering their commodities to commissionmen or other middlemen for sale. Exempt truck haulers also will sell part of an individual farmer's produce at different markets, if he desires. This is a specialized service which common carriers are in no position to provide. Likewise, it is essential to note that during the peak marketing seasons, especially those relating to perishable commodities—fruits, vegetables and meat products—common carriers simply cannot meet farmers' demands for ready transportation.

On the other hand, the Trip Lease provision provided for in S. 898, is essential to the trucking industry which handles a large percentage of agricultural commodities. Their ability to obtain return loads is necessary to their survival. Since unless they can cut costs through this device, the rates they charge farmers for the services I have mentioned previously would have to be

much higher. Because of these reasons, I earnestly beseech the House Members to pass S. 898.

PERMISSION TO ADDRESS THE HOUSE

(Mr. SIEMINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

[Mr. SIEMINSKI addressed the House. His remarks will appear hereafter in the Appendix.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. McDOWELL, for an indefinite period, on account of death in family.

Mr. HALE (at the request of Mr. MCINTIRE), for an indefinite period beginning July 17, 1956, on account of illness in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to:

Mr. JOHNSON of Wisconsin, today for 5 minutes, and to include certain extraneous matter.

Mr. SHEEHAN, for 5 minutes on Thursday and Friday next.

Mr. HESELTON, transferred from today to Friday.

Mr. REES of Kansas, for 5 minutes tomorrow.

Mr. DIXON, for 30 minutes today, on 2 subjects.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the Record, or to revise and extend remarks, was granted to:

Mrs. SULLIVAN in two instances and to include extraneous matter.

Mr. ZELENKO.

Mr. BROWN of Ohio and include a magazine article.

Mr. SCHENCK and include extraneous matter.

Mr. SHEEHAN and include extraneous matter.

Mr. MCGREGOR and include an editorial.

Mr. MCGREGOR and include excerpts from various speeches he has made.

Mr. WILSON of Indiana and include a radio broadcast.

Mr. QUIGLEY.

Mr. MILLER of Nebraska.

Mr. MERROW and include an editorial.

Mr. PHILLIPS and include an editorial.

Mr. BRAY in two instances, in each to include extraneous matter.

Mr. JOHNSON of California and include a vote taken by the Commonwealth Club of California.

Mr. DOYLE in five instances in each to include extraneous matter.

Mr. ASPINALL in two instances, in each to include extraneous matter.

Mr. DAVIS of Georgia to revise and extend remarks he expects to make in

Committee of the Whole today and to include certain newspaper articles.

Mr. PHILBIN in two instances and to include extraneous matter and certain articles.

Mr. SHUFORD and to include an editorial.

Mr. DAWSON of Utah (at the request of Mr. KEATING) in three instances and to include extraneous matter.

Mr. HILLINGS (at the request of Mr. KEATING) in five instances and to include extraneous matter.

Mr. CANFIELD (at the request of Mr. KEATING) in three instances and to include extraneous matter.

Mr. CRETELLA (at the request of Mr. KEATING) and to include extraneous matter.

Mr. RIVERS and to include an editorial appearing in the Washington Post this morning on the deplorable condition of the textile industry in the United States.

Mr. EDMONDSON immediately following the approval of the conference report on H. R. 5566.

Mr. KEOGH (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. RODINO (at the request of Mr. ALBERT) in two instances and to include extraneous matter.

Mr. ADDONIZIO (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. MULTER (at the request of Mr. ALBERT) in three instances and to include extraneous matter.

Mr. TUCK (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. FLOOD (at the request of Mr. ALBERT) and to include extraneous matter.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 558. An act for the relief of Irene Montoya; to the Committee on the Judiciary.

S. 579. An act for the relief of Giuseppe Scalia; to the Committee on the Judiciary.

S. 1407. An act for the relief of Guillermo B. Rignonan; to the Committee on the Judiciary.

S. 1626. An act for the relief of Rachid Abdallah; to the Committee on the Judiciary.

S. 2216. An act to amend the act of March 4, 1915 (38 Stat. 1086, 1101; 16 U. S. C. 497); to the Committee on Agriculture.

S. 2419. An act for the relief of Dr. Anton M. Lodmell; to the Committee on the Judiciary.

S. 2578. An act to amend the law relating to residence of assistant assessors for the District of Columbia; to the Committee on the District of Columbia.

S. 2815. An act for the relief of Peter V. Bosch; to the Committee on the Judiciary.

S. 3064. An act for the relief of Thomas J. Smith; to the Committee on the Judiciary.

S. 3068. An act for the relief of Arsene Kavoukdjian (Arsene Kavookjian); to the Committee on the Judiciary.

S. 3103. An act for the relief of Eldur Eha; to the Committee on the Judiciary.

S. 3127. An act for the relief of Karl Eigil Engedal Hansen and his wife, Else Viola Agnethe Hansen, and their minor child,

Jessie Engedal Hansen; to the Committee on the Judiciary.

S. 3133. An act to provide for the conveyance of certain real property of the United States to the city of Boise, Idaho; to the Committee on Agriculture.

S. 3155. An act for the relief of May Ping Lee; to the Committee on the Judiciary.

S. 3179. An act for the relief of Redentor Ligot Romero; to the Committee on the Judiciary.

S. 3182. An act for the relief of Dr. Cheng-en Lu; to the Committee on the Judiciary.

S. 3188. An act for the relief of Stephen Kuang-Tao Hsu; to the Committee on the Judiciary.

S. 3191. An act for the relief of Jose Maria Arias-Ortega; to the Committee on the Judiciary.

S. 3193. An act for the relief of Natalia Kozlov Kavazov Kolubaev (Koljubajer, Kolubajev); to the Committee on the Judiciary.

S. 3257. An act for the relief of Georgiana Ching Hsien (Liang) New; to the Committee on the Judiciary.

S. 3258. An act for the relief of Margaret Kwei Chang (Margaret Hua-Chen Kwei); to the Committee on the Judiciary.

S. 3285. An act for the relief of Glok Po Oey; to the Committee on the Judiciary.

S. 3306. An act for the relief of Sergius Kusmin and his wife, Irene Kusmin; to the Committee on the Judiciary.

S. 3347. An act for the relief of Mr. and Mrs. H. F. Webb; to the Committee on the Judiciary.

S. 3354. An act for the relief of Jelena Simicevic; to the Committee on the Judiciary.

S. 3358. An act for the relief of Hewey Malachi Mackey; to the Committee on the Judiciary.

S. 3364. An act for the relief of Roberto Mario Bettinzoli; to the Committee on the Judiciary.

S. 3370. An act for the relief of Paul Yen-Hsiung Feng and his wife, Mary Stella Pao-Ching Feng, and their minor child, Joseph Shao-Ying Feng; to the Committee on the Judiciary.

S. 3417. An act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact relating to their interest in, and the apportionment of, the waters of the Little Missouri River and its tributaries as they affect such States, and for related purposes; to the Committee on the Interior and Insular Affairs.

S. 3440. An act for the relief of Vincent Lee Lao; to the Committee on the Judiciary.

S. 3465. An act relating to effective dates of increases in compensation granted to wage board employees; to the Committee on the Post Office and Civil Service.

S. 3487. An act for the relief of Lucy Lin and her minor child, Peter Lin; to the Committee on the Judiciary.

S. 3500. An act to reduce postage rates on parcels containing only food, clothing, medicines, or drugs sent by mail for relief purposes; to the Committee on the Post Office and Civil Service.

S. 3521. An act for the relief of Athanasios Nicholas Prittes (also known as Thomas Prites, or Tom N. Phillips); to the Committee on the Judiciary.

S. 3537. An act for the relief of Manuel Souza Novo; to the Committee on the Judiciary.

S. 3557. An act for the relief of Stylianos Lecomplex; to the Committee on the Judiciary.

S. 3619. An act to amend the District of Columbia Public School Food Services Act; to the Committee on the District of Columbia.

July 20, 1956

14. NATURAL RESOURCES. The Interior and Insular Affairs Committee and the Public Works Committee reported with amendments S. Res. 281, expressing the sense of the Senate regarding executive policy in connection with water resources development, etc. (S. Rept. 2686). p. 12403
15. MUTUAL SECURITY APPROPRIATION BILL, 1957. Began debate on this bill, H. R. 12130. p. 12471
16. FOREIGN AID; IMPORTS. Sen. Malone claimed that foreign aid has been used to foster production, particularly agricultural production, which is competitive with U. S. products. p. 12490
17. RECLAMATION; FARM LOANS. Agreed to the conference report on H. R. 5881, to supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects. This bill will now be sent to the President. p. 12445
18. EXECUTIVE PAY; RETIREMENT. Passed with amendments H. R. 7619, the executive pay bill, with additional provisions regarding retirement, etc. (pp. 12438, 12447). Rejected an amendment by Sen. Morse to make the executive pay provisions retroactive to Jan. 1, 1956 (p. 12465). Agreed to an amendment by Sen. Russell to decrease from 275 to 145 the additional major positions in the Defense Department, etc. (p. 12460). Senate conferees were appointed (p. 12469).

As passed, the bill includes executive pay items for this Department as follows: Secretary, \$25,000; Under Secretary, \$21,000; Assistant Secretaries, Administrator of CSS, Administrator of REA, and General Counsel, \$20,000; heads of ARS, SCS, FHA, FS, and FCIC, \$17,500; certain scientists on foot-and-mouth disease work, \$19,000 (now \$15,000); all GS-18 positions, \$16,000; and all GS-17 positions, an additional step at \$14,835. Allocates the positions of 7 directors of CSS commodity offices at GS-16. Authorizes allocation of 3 positions as Deputy ARS Administrator at GS-18. Provides for Presidential appointment and Senate confirmation of the General Counsel, with a provision that the existing position shall be abolished effective upon appointment and qualification of a General Counsel or Apr. 1, 1957, whichever is earlier.

The bill provides for certain positions of particular interest to this Department as follows: Budget Bureau Director, Comptroller General, ODM Director, \$22,500; Civil Defense Administrator, GSA Administrator, FCA Governor, \$21,000; Chairman of Civil Service Commission, Chairman of Council of Economic Advisers, \$20,500; Deputy Director of Budget Bureau, \$20,500; Assistant Directors of Budget Bureau, Archivist, Director of National Science Foundation, members of CSO, \$20,000.

Title II of the bill provides that the term of office of each Civil Service Commissioner shall be 6 years, on a staggered-term basis, and that one of the commission members (instead of the Executive Director) shall be responsible for administration, if present during the absence of the Chairman.

Title IV is a revision of the Civil Service Retirement Act. It is a modification of S. 2875, the Johnston retirement bill which was recently passed by the Senate.

19. APPROPRIATIONS. Received from the President various supplemental appropriation estimates for 1957 (S. Doc. 143); to Appropriations Committee. p. 12402 (For items of interest to USDA, see item 66, this Digest.)
20. RECLAMATION. The Interior and Insular Affairs Committee reported with amendment S. 3957, to amend the act authorizing exchange and amendment of certain farm units on Federal irrigation projects in order to limit the time during which applications may be made (S. Rept. 2685). p. 12403

Passed without amendment S. 3728, to authorize the San Angelo Federal reclamation project, Tex. p. 12420

21. TRANSPORTATION. The Interstate and Foreign Commerce Committee reported without amendment S. J. Res. 197, authorizing the President to proclaim the week of Oct. 22, 1956, as National Transportation Week (S. Rept. 2698) p. 12403
The Interstate and Foreign Commerce Committee agreed to recommend that the Senate accept the House amendments to S. 898, the truck trip leasing bill. p. D846
22. WORLD TRADE FAIR. Passed without amendment H. J. Res. 604, authorizing the President to invite the States and foreign countries to participate in the U. S. World Trade Fair. This measure will now be sent to the President. p. 12422
23. FARM-CITY WEEK. The Judiciary Committee reported without amendment H. J. Res. 317, designating the week of Nov. 16, 1956, as National Farm-City Week (S. Rept. 2702) p. 12504
24. PATENTS. The Judiciary Committee reported without amendment H. R. 2128, to authorize the extension of patents covering inventions whose practice was prevented or curtailed during certain emergency periods by service of the patent owner in the armed forces or by production controls (S. Rept. 2704) p. 12504
25. LEGISLATIVE PROGRAM. It was agreed that the calendar will be called Mon., and it was announced that the second supplemental appropriation bill will be considered when reported. pp. 12424, D851

BILLS INTRODUCED - July 20

26. BUDGET BUREAU. S. J. Res. 199, by Sen. Knowland, to authorize an additional position of Assistant Director of the Budget Bureau; to Post Office and Civil Service Committee.
27. ENFORCEMENT ACTIVITIES. S. 4262, by Sen. Wiley, to make it a Federal offense to attack, etc., certain HEW personnel engaged in enforcing food and drug and public health laws; to Judiciary Committee. Remarks of author. p. 12406
28. CONTRACTS. S. 4260, by Sen. Kennedy, to make various changes in the Walsh-Healey Public Contracts Act; to Labor and Public Welfare Committee. Remarks of author. p. 12405
29. LIBRARIES; PUBLICATIONS. H. R. 12325, by Rep. Hays, Ohio, "to constitute certain libraries as designated depositories of Government publications"; to House Administration Committee.
30. TEXTILES. H. R. 12332, by Rep. Smith, Miss., to protect producers and consumers against misbranding and false advertising of the fiber content of textile fiber products; to Interstate and Foreign Commerce Committee.

ITEMS IN APPENDIX - July 20

31. FLOOD CONTROL. Rep. Weaver inserted a Saturday Evening Post article describing a flood control project at Lincoln, Nebr. p. A5715
32. FARM HOUSING LOANS; Extension of remarks of Rep. Hays, Ohio, commending the farm housing provisions of the omnibus housing bill and criticizing the

President's Communication—Supplemental Appropriations: President transmitted proposed supplemental appropriations for fiscal 1957 for various departments and agencies of the executive branch totaling \$350,565,038, and for the D. C. government in amount of \$10,000—referred to Committee on Appropriations and ordered to be printed as S. Doc. 143. Page 12402

Sundry Measures Passed: Senate passed, in the manner indicated, 16 sundry measures, as follows:

Without amendment and cleared for President:

World Trade Fair: H. J. Res. 604, relating to participation in U. S. World Trade Fair and in Oklahoma Semi-Centennial Celebration (S. J. Res. 194, a similar bill, had been passed but was later reconsidered, and then was indefinitely postponed);

Niagara Port Authority: H. J. Res. 549, granting the consent of Congress respecting an agreement with Canada establishing the Niagara Frontier Port Authority (this bill was taken from desk and passed without amendment after S. J. Res. 145, a similar bill, had been passed, later reconsidered, and then indefinitely postponed);

Panama bridge: H. R. 9801, authorizing construction of bridge over Panama Canal at Balboa, C. Z.;

Childhood protection: H. J. Res. 664, participation in the American International Institute for the Protection of Childhood (Committee on Foreign Relations was discharged from its further consideration and the bill was passed after S. J. Res. 195, a similar bill, had been passed, but such action was later reconsidered, and S. J. Res. 195 was then indefinitely postponed);

Texas land: H. R. 5519, authorizing exchange of lands between U. S. and El Paso, Tex.;

Texas land: H. R. 9081, relative to conveyance of land in Bexar County to State of Texas; and

Private bill: H. R. 8047.

With amendment, to be sent back to House:

Watershed protection: H. R. 8756, to amend the Watershed Protection and Flood Prevention Act (motion to reconsider was tabled). Senate insisted on its amendments, asked for a conference, and appointed as conferees Senators Chavez, Kerr, Gore, McNamara, Martin (Pennsylvania), Case (South Dakota), and Hruska.

Without amendment and cleared for House:

World Health: S. J. Res. 183, authorizing \$400,000 for U. S. to extend an invitation to the World Health Organization to hold the 11th World Health Assembly in the U. S. in 1958;

Interparliamentary Union: S. 3858, authorizing participation by U. S. in Interparliamentary Union; and

San Angelo reclamation: S. 3728, providing for construction of San Angelo Federal reclamation project, Texas (motion to reconsider tabled).

With amendment and cleared for House:

Pan American Games: S. J. Res. 186, authorizing appropriation for expenses of the Pan American Games to be held in Cleveland in 1959; and

Texas land: S. 3356, conveyance of certain land at Grand Prairie, Dallas County, to State of Texas.

Resolutions adopted:

Committee expenditures: S. Res. 306, additional funds for Committee on Rules and Administration;

Committee expenditures: S. Res. 303, increasing funds for Committee on the Judiciary for study of juvenile delinquency (with an amendment); and

Private resolution: S. Res. 73.

Pages 12418–12424, 12428–12434, 12444, 12446, 12470–12471

Knowland Award: S. 4256, authorizing Senator Knowland to accept from Greece award of Grand Commander of Royal Order of Phoenix, was sent to desk and passed. Page 12473

Conference Reports Adopted: Senate adopted conference reports on the following bills, clearing them for the President:

Medical research: S. 849, to provide assistance to certain non-Federal institutions for construction of facilities for research in crippling and killing diseases;

Reclamation: H. R. 5881, to provide for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects;

Elkins, W. Va.: S. 2182, providing for relief for the city of Elkins, W. Va.; and

D. C. transit: S. 3073, the D. C. transit bill.

Pages 12436–12438, 12444–12445, 12471

Private Bill: Conference report on H. R. 1637, private bill, was adopted. Pages 12482–12483

Mutual Security Appropriations: Senate worked on H. R. 12130, mutual security appropriations for fiscal 1957, taking actions on amendments, as follows:

Adopted: Modified Mansfield amendment to increase funds for U. N. technical assistance program from \$10 million to \$15.5 million with proviso limiting U. S. contribution to one-third of the total of such assistance in future calendar years; and by 50 yeas to 39 nays, first committee amendment increasing from \$1,735,000,000 to \$2.3 billion for military assistance; and

Rejected: The following three Ellender amendments to committee amendment for \$2.3 billion for military assistance, as indicated: By 42 yeas to 46 nays, amendment to reduce \$2.3 billion figure for military assistance to \$1,735,000,000; by 37 yeas to 44 nays, modified amendment reducing \$2.3 billion figure to \$1,925,000,000; and by 42 yeas to 44 nays, amendment reducing \$2.3 billion figure to \$2.1 billion. Motion to reconsider adoption of these three Ellender amendments were all tabled. Pages 12471–12504

Confirmation: By 64 yeas to 22 nays, Senate confirmed the nomination of Paul G. Hoffman, of California, to be representative to the 11th session of the General Assembly, U. N.

Pages 12507-12509

Nominations: Senate received nominations of Cavendish W. Cannon, of Utah, to be Ambassador to Morocco, and Christian M. Rayndal, of Iowa, to be Ambassador to Ecuador, one civilian, and numerous Army nominations.

Pages 12505-12507

Program for Saturday: Senate recessed at 9:11 p. m. until 10 a. m. Saturday, July 21, when it will continue on H. R. 12130, mutual security appropriations for fiscal 1957.

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—SUPPLEMENTAL

Committee on Appropriations: Committee concluded its hearings on H. R. 12350, second supplemental appropriations for fiscal 1957, with testimony as follows:

On funds for sundry items for the Office of Education (HEW), with testimony from Dr. Samuel M. Brownell, Commissioner;

On funds for the Public Health Service, HEW, with testimony from Mark D. Hollis, Assistant Surgeon General, Jack C. Haldeman, Bureau of State Services, Margaret G. Arnstein, Bureau of Medical Services, James A. Shannon, Assistant Surgeon General, and C. J. Van Slyke, Assistant Surgeon General, all of the Public Health Service;

On funds for a public buildings service item (GSA);

On funds for HHFA (flood insurance, public housing, and FNMA items)—with testimony from Albert M. Cole, Administrator, HHFA;

On additional funds for Bureau of Indian Affairs, with testimony from Assistant Commissioner Fred Massey;

On additional funds for the Fish and Wildlife Service, with testimony from Arnie J. Suomela, Associate Director; and

On funds for ship construction, Maritime Administration, with testimony from Assistant Secretary for Administration George T. Moore, Oscar H. Nielson, Office of Budget and Management, and Clarence G. Morse, Maritime Administrator, all of the Department of Commerce, and Richard P. Godwin, Division of Reactor Development, AEC.

Committee will meet tomorrow for executive consideration of this bill.

NOMINATION

Committee on Armed Services: Special subcommittee held hearings on the nomination of Capt. Chester C.

Ward to be Judge Advocate General of the Navy, hearing testimony thereon from Secretary of the Navy Charles S. Thomas, who was accompanied by his associates.

COMMUNIST CHINA, AND NOMINATIONS

Committee on Foreign Relations: Committee, in executive session, ordered favorably reported the following:

H. Con. Res. 265, expressing the sense of Congress against admission of the Communist regime in China as the representative of China in the U. N.; and

The nominations of Walter K. Scott, of Maryland, to be Deputy Director for Management of the International Cooperation Administration; Cavendish W. Cannon, of Utah, to be Ambassador to Morocco; Christian M. Rayndal, of Iowa, to be Ambassador to Ecuador; and 158 nominations in the Foreign Service.

COMMITTEE BUSINESS

Committee on Interstate and Foreign Commerce: Committee, in executive session, ordered favorably reported the following:

Without amendment—S. J. Res. 197, proclaiming week of October 22-27 as National Transportation Week; S. 2709, to provide for standby authority for priorities in transportation by merchant vessels in the interest of national defense; H. R. 11969, relating to safety devices on household refrigerators; and S. 4247, to authorize Canadian vessels to be employed in the coastwise transportation of coal to Ogdensburg, N. Y.; and

Amended—H. R. 7536, to amend the Communications Act so as to require vessels carrying passengers for hire to be fitted with radiotelephone installations; and S. 3955, providing for grants to States to assist in control or extermination of sea nettles and jellyfish in marine waters of U. S.

The committee agreed to adopt an interim report on its television inquiry.

The committee agreed to recommend that the Senate accept the House amendments to S. 898, the truck trip leasing bill.

Prior to approval of H. R. 11969, favoring testimony was heard thereon from Senator Sparkman.

COMMITTEE BUSINESS

Committee on the Judiciary: Committee, in executive session, ordered favorably reported the following: H. R. 2128, extension of patents covering inventions curtailed by national emergency; H. R. 3561, providing for prompt settlement of claims for damages occasioned by U. S. Armed Forces in foreign countries; H. R. 10111, to include certain savings and loan associations within provisions of the U. S. Code; H. R. 8110, to incorporate the National Music Council; H. J. Res. 396, to establish

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued July 26, 1956
For actions of July 25, 1956
84th-2nd, No. 128

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HIGHLIGHTS: Both Houses cleared for Presidential action the following bills: Farm loan bill; Watershed bill; amendments to Public Law 480 bill. House received conference report on mutual security appropriation bill. House passed: housing bill; wheat agreement extension bill and flood insurance bill. Conferees agreed to file report on executive pay and retirement bill. House committee issued reports on Federal timber sales policies and CCC purchase-resale transactions. House committee reported bills to permit national forests receipts paid to States to be used for other than schools and roads, and to authorize USDA to pay expenses of soil and water conservation advisory committee. Rep. Rogers, Fla., introduced bill for appropriations on accrued expenditure basis. Senate committee reported Great Plains bill. Senate committee reported bill to reorganize Federal safety functions. Senate cleared following bills for President: improve budgeting and accounting methods; (Continued on page 8)

SENATE

1. APPROPRIATIONS. Passed with amendment H. R. 12350, the second supplemental appropriation bill for 1957. pp. 13258, 13265, 13275, 13284) Conferees were appointed. (For items of interest to this Department, see Digest 127.)
Agreed to the conference report on H. R. 12138, the first supplemental appropriation bill for 1957. (p. 13286) This bill will now be sent to the President.

2. BUDGETING; ACCOUNTING. Agreed to the conference report on S. 3897, to improve governmental budgeting and accounting methods and procedures. (The House agreed to the report on July 23.) This bill will now be sent to the President. p. 13078
3. EXPENDITURES. The Jt. Committee on Reduction of Nonessential Federal Expenditures submitted a report, "Unexpended Balances, Domestic-Civilian Agencies" (S. Rept. 2803). p. 13070
4. TRANSPORTATION. Agreed to the House amendments to S. 898, to amend the Interstate Commerce Act, with respect to the authority of the ICC to regulate the use by motor carriers of motor vehicles not owned by them (so-called trip leasing bill). This bill will now be sent to the President. p. 13114
Agreed to the House amendments to S. 3391, to provide for the regulation of the interstate transportation of migrant farm workers. This bill will now be sent to the President. p. 13110
5. CUSTOMS. Agreed to the conference report on H. R. 6040, the customs simplification bill. This bill will now be sent to the President. p. 13293
6. SEED. The Finance Committee reported without amendment H. R. 9396, to amend the Tariff Act of 1930 to place guar seed on the free list (S. Rept. 2779). p. 13069
7. SOIL CONSERVATION. The Agriculture and Forestry Committee reported without amendment H. R. 11833, to amend the Soil Conservation and Domestic Allotment Act and the Agricultural Adjustment Act of 1938 to provide for a Great Plains conservation program (S. Rept. 2785). p. 13069
8. SAFETY. The Government Operations Committee reported with amendment S. 3517, to provide for the reorganization of the safety functions of the Federal Government (S. Rept. 2788). p. 13070
9. FLOOD CONTROL. The Public Works Committee reported with amendment H. R. 12080, authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation and flood control (S. Rept. 2784) (p. 13070). Agreed to consider the measure today under limited debate rule (p. 13265).
10. MILITARY CONSTRUCTION. The Armed Services Committee reported with amendment H. R. 12270, to authorize certain construction at military installations (S. Rept. 2775) (authorizes the use of Public Law 480 and CCC funds for foreign housing construction for military). p. 13070
11. VETERANS' BENEFITS. Sen. Neuberger inserted and commented on a newspaper article discussing the expiration of the "GI Bill of Rights". p. 13083
12. AREA REDEVELOPMENT. Debated, under limited debate rule, S. 2663, to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas (pp. 13108, 13310). Agreed to amendments by Sen. Fulbright to increase from \$50 million to \$100 million the amount of loan funds available for rural areas; to eliminate the provision in the bill limiting to 300 counties in the U. S. and 15 in any single State which would be available for assistance under the rural development program (there would be no limitation as provided by the amendment); to increase the limitation to \$6 million which can be loaned in each State under the rural development program; and to strike

the past,' wrote Thomas McCaulay, 'will be disposed to take a morose or desponding view of the present.'

"Aware of the record, Americans will know that resolution 86 is favored by long-time * * * associates in the National Farmers Union, United Automobile Workers, Americans for Democratic Action, and other * * * organizations.

"Only 2 years ago, there appeared in the press the following news item:

"KEYSERLING HIRED

"DENVER.—Leon H. Keyserling, who was Chairman of former President Truman's Council of Economic Advisers, was hired Saturday by the National Farmers Union as economic consultant."

"Thus Messrs. Leon Keyserling and James G. Patton are working closely together in the Farmers Union and also in the executive committee of a new organization—known as the Conference on Economic Progress—which includes Walter P. Reuther, president of the UAW, and M. W. Thatcher, president of the National Federation of Grain Cooperatives. Mr. Thatcher used to be chairman of the national legislative committee of the Farmers Union.

"The new Conference on Economic Progress has published a number of studies. * * * The conference has announced its intention to consider the subjects of technology, productivity, automation, social security, education, and housing.

"Who are the persons chosen to make these studies?"

"Of course the Conference on Economic Progress studies will be made by Leon H. Keyserling and his wife, Mary Dublin Keyserling."

AMENDMENT OF MERCHANT MARINE ACT TO FACILITATE PRIVATE FINANCING OF MERCHANT VESSELS

Mr. MAGNUSON. Mr. President, as the Senator from Maryland [Mr. BUTLER] has suggested, the matter to which I am about to refer can be taken care of in about a minute. There is on the calendar, Order No. 2677, H. R. 11554, which is a bill to amend certain provisions of the Merchant Marine Act regarding facilities for private financing of merchant vessels in the interest of national defense, and for other purposes.

The bill has been discussed with the senior Senator from Delaware [Mr. WILLIAMS]. He has stated that any objections he had to the bill have been removed. He has discussed the matter with the Senator from Maryland [Mr. BUTLER]. It is a very important bill. It provides for 100-percent insurance features for vessels for special purposes, and was unanimously reported by the committee.

Mr. FREAR. Mr. President, did I understand the Senator from Washington to say that he had talked with the Senator from Maryland, who had talked with the Senator from Delaware?

Mr. MAGNUSON. That is correct.

Mr. FREAR. And the senior Senator from Delaware has concurred in this proposal?

Mr. BUTLER. I was about to address myself to that point. I had a conversation with the senior Senator from Delaware, and he has stated to me that

he would not insist upon his amendment; nor would he object to the disposal of the bill.

Mr. MAGNUSON. That is my understanding.

Mr. BUTLER. I have also talked with the minority leader, and I believe the minority leader talked with the majority leader about the bill. There is no objection to the bill.

Mr. FREAR. That being the case, I certainly offer no objection.

Mr. MAGNUSON. I shall ask unanimous consent to have the report on the bill printed in full in the RECORD.

Mr. DWORSHAK. Mr. President, reserving the right to object, has the senior Senator from Delaware been advised of the fact that the bill would be called up at this time? He is not on the floor.

Mr. BUTLER. The senior Senator from Delaware has just entered the Chamber. I have heretofore talked to him about the bill. He said any objection he had to it had been removed.

Mr. WILLIAMS. Mr. President—

Mr. JOHNSON of Texas. Mr. President, I object. No one has cleared the bill with me.

The PRESIDING OFFICER. Objection is heard.

Mr. MAGNUSON. May I ask the majority leader whether he will agree to have the bill considered at this time?

Mr. JOHNSON of Texas. The majority leader will be glad to consider it in the regular order. We have two bills pending now. The bill the Senator referred to has not been cleared by the minority committee. The Senator from Delaware is entitled to be notified before the bill is taken up.

Mr. BUTLER. The senior Senator from Delaware is here now.

Mr. JOHNSON of Texas. It will not be taken up now.

Mr. MAGNUSON. May we have the assurance of the majority leader that it will be taken up?

Mr. JOHNSON of Texas. The majority leader will be glad to discuss it with the minority leader.

Mr. BUTLER. I have talked to the Senator from Delaware about the bill, and it was my understanding that the minority leader would talk with the majority leader about it. I do not want any implication left on the RECORD of the Senate that there is anything improper about bringing the bill up at this time.

Mr. JOHNSON of Texas. There is something improper about not clearing it with the majority leader. I am objecting because it has not been cleared. I will object to any other bills which have not been cleared. The minority leader has not asked me to bring it up.

Mr. BUTLER. I am sorry that the minority leader did not talk to the Senator about it.

Mr. MAGNUSON. I will discuss the bill with the majority leader.

Mr. BUTLER. The RECORD should be clear that I talked about it with the Senator from Delaware and with the minority leader.

Mr. MAGNUSON. I will discuss it with the majority leader.

CONVEYANCE OF CERTAIN LANDS TO TOWN OF NORTH KINGSTOWN, R. I.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3195) to authorize the Administrator of General Services to convey certain lands in the State of Rhode Island to the town of North Kingstown, R. I., which were on page 1, line 7, after "town" insert "upon payment by said town of the fair market value of said property as determined by said Administrator after competent appraisal and upon such terms and conditions as may in the determination of said Administrator be necessary to protect the interest of the United States", and on page 2, strike out line 20 over through and including line 3 on page 3.

Mr. HUMPHREY of Minnesota. I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to.

CONVEYANCE OF CERTAIN PROPERTY TO CITY OF ROSEBURG, OREG.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3316) authorizing the Administrator of General Services to convey certain property which has been declared surplus to the needs of the United States to the city of Roseburg, Oreg., which was to strike out all after the enacting clause and insert:

That the Administrator of General Services is authorized and directed to convey, without consideration therefor, to the city of Roseburg, Oreg., all right, title, and interest of the United States in and to the following described properties, real and personal: The dwelling house located on lot 5, block 29, in the said city of Roseburg, Oreg., together with furniture, personal effects, and jewelry stored in said dwelling house or elsewhere which has been designated by said Administrator as "lot A personalty," all of said property being a part of the estate of Lillie Lela Moore devised to the United States by said Lillie Lela Moore under provisions of her will probated in 1940 which has since been declared surplus to the needs of the United States.

Such conveyance, in addition to being subject to such terms and conditions as may be considered by said Administrator to be necessary to protect the interest of the United States, shall be expressly conditioned upon an undertaking by the city of Roseburg, Oreg., that such dwelling house, together with said items of personal property, shall, within a reasonable period of time as determined by said Administrator, be transferred by the city of Roseburg to the Douglas County Historical Society and removed from said land without cost to the United States.

Mr. HUMPHREY of Minnesota. Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to.

SAFEGUARDS AGAINST MERGERS AND CONSOLIDATION OF BANKS

The Senate resumed the consideration of the bill (S. 3911) to amend the Federal Deposit Insurance Act to provide safeguards against mergers and consolidation of banks which might lessen competition unduly or tend unduly to create a monopoly in the field of banking.

Mr. FULBRIGHT. Mr. President, I wonder whether we cannot proceed to dispose of the pending business. I understand that the Douglas amendment is pending. I wonder whether we cannot dispose of that amendment and then proceed to dispose of the bill. We have been waiting for a long time. If there are no more speeches to be made on it, perhaps we could vote on the amendment and then on the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] for himself and the Senator from New York [Mr. LEHMAN].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3911) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subsection (c) of section 18 of the Federal Deposit Insurance Act is amended by striking out the third sentence thereof and substituting in lieu thereof the following: "No insured bank shall merge or consolidate with any other insured bank or, either directly or indirectly, acquire the assets of, or assume liability to pay any deposits made in, any other insured bank without the prior written consent (i) of the Comptroller of the Currency if the acquiring, assuming, or resulting bank is to be a national bank or a district bank or (ii) of the Board of Governors of the Federal Reserve System if the acquiring, assuming, or resulting bank is to be a State member bank (except a district bank), or (iii) of the Corporation if the acquiring, assuming, or resulting bank is to be a nonmember insured bank (except a district bank). In granting or withholding consent under this subsection, the Comptroller, the Board, or the Corporation, as the case may be, shall consider the factors enumerated in section 6 of this act. In the case of a merger, consolidation, acquisition of assets, or assumption of liabilities, the appropriate agency shall also take into consideration whether the effect thereof may be to lessen competition unduly or to tend unduly to create a monopoly, and, in the interests of uniform standards, it shall not take action as to any such transaction without first seeking the views of each of the other two banking agencies referred to herein with respect to such question; and in such a case the appropriate agency may also request the opinion of the Attorney General with respect to such question."

AMENDMENT OF INTERSTATE COMMERCE ACT, RELATING TO REGULATION OF CERTAIN MOTOR CARRIERS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 898) to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to

regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property, which were on page 3, line 11, strike out "(17)," and insert "(17)", and on page 3, line 12, strike out all after "of" down to and including "(6)" in line 14, and insert "property of a character embraced within section 203 (b) (6) or perishable products manufactured from perishable property of a character embraced within section 203 (b) (6)."

Mr. SMATHERS. Mr. President, the House amendments were discussed at a meeting of the Committee on Interstate and Foreign Commerce and it was the unanimous view of the committee that the Senate should agree to them. I therefore move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to.

Mr. SMATHERS. Mr. President, I ask unanimous consent that there be printed in the Record at this point a statement concerning S. 898.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT BY SENATOR SMATHERS

S. 898, as originally passed by the Senate, provided for trip leasing of motor vehicles owned by farmers, cooperative associations and vehicles of private carriers. The bill included a restriction that private vehicles to be eligible for trip leasing must be "used regularly in the transportation of processed or manufactured perishable commodities or products of the character referred to in section 203 (b) (6)" of the Interstate Commerce Act. (This section of the act sets forth the agricultural exemption and removes from economic regulation of the Commission motor vehicles used in carrying ordinary livestock, fish, including shellfish, or agricultural commodities but not including the manufactured products thereof.)

Thus, in addition to exempting vehicles used for moving farm products the intent of the bill as passed by the Senate was to limit trip leasing by private carriers to those carriers carrying perishable agricultural products or perishable products manufactured therefrom.

The House Interstate and Foreign Commerce Committee reported the bill to the House with the purpose of providing exactly the same regulation for which the Senate bill provided. Aside from a single change in punctuation, the only change made by the House Committee was a slight modification in wording concerning private carriers subject to trip leasing. The wording was changed to provide that private vehicles to be eligible for trip leasing must transport "property of a character embraced within section 203 (b) (6) or perishable products manufactured from perishable property of a character embraced within section 203 (b) (6)." The House passed the bill with that amendment.

In my opinion, the House version contains clearer wording than does that of the Senate. The aim of the legislation is exactly the same. Therefore, I recommend that the House language be adopted.

ESTABLISHMENT OF STATE COMMITTEES ON EDUCATION BEYOND THE HIGH SCHOOLS

Mr. HILL. Mr. President, on last Monday the Senate passed S. 4211, to en-

courage and assist the States in the establishment of State committees on education beyond the high school, and for other purposes.

On the same day, the House passed H. R. 12237, on the same subject.

I ask unanimous consent to reconsider the vote by which Senate bill 4211 was passed, and that the Senate proceed to the consideration of the House bill.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 12237) to encourage and assist the States in the establishment of State committees on education beyond the high school, and for other purposes, was read twice by its title.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama?

There being no objection, the bill (H. R. 12237) was considered, ordered to a third reading, read the third time, and passed.

Mr. HILL. Mr. President, I ask unanimous consent that Senate bill S. 4211 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, the Senate bill is indefinitely postponed.

SUPPLEMENTATION OF ANTITRUST LAWS

The PRESIDING OFFICER (Mr. KENNEDY in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 3879) to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover compensatory damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers, which were to strike out all after the enacting clause and insert:

That as used in this act—

(a) The term "automobile manufacturer" shall mean any person, partnership, corporation, association, or other form of business enterprise engaged in the manufacturing or assembling of passenger cars, trucks, or station wagons, including any person, partnership, or corporation which acts for and is under the control of such manufacturer or assembler in connection with the distribution of said automotive vehicles.

(b) The term "franchise" shall mean the written agreement or contract between any automobile manufacturer engaged in commerce and any automobile dealer which purports to fix the legal rights and liabilities of the parties to such agreement or contract.

(c) The term "automobile dealer" shall mean any person, partnership, corporation, association, or other form of business enterprise resident in the United States or in any Territory thereof or in the District of Columbia operating under the terms of a franchise and engaged in the sale or distribution of passenger cars, trucks, or station wagons.

(d) The term "commerce" shall mean commerce among the several States of the United States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or among the Territories or between any Territory and any State

Public Law 957 - 84th Congress
Chapter 928 - 2d Session
S. 898

AN ACT

All 70 Stat. 983.

To amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 204

of the Interstate Commerce Act, as amended (49 U. S. C., sec. 304), is amended by adding at the end thereof the following subsection: Motor carriers. Use of vehicles owned by others. 49 Stat. 546.

“(e) Subject to the provisions of subsection (f) hereof, the Commission is authorized to prescribe, with respect to the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property—

“(1) regulations requiring that any such lease, contract, or other arrangement shall be in writing and be signed by the parties thereto, shall specify the period during which it is to be in effect, and shall specify the compensation to be paid by the motor carrier, and requiring that during the entire period of any such lease, contract, or other arrangement a copy thereof shall be carried in each motor vehicle covered thereby; and Leases, contracts, etc.

“(2) such other regulations as may be reasonably necessary in order to assure that while motor vehicles are being so used the motor carriers will have full direction and control of such vehicles and will be fully responsible for the operation thereof in accordance with applicable law and regulations, as if they were the owners of such vehicles, including the requirements prescribed by or under the provisions of this part with respect to safety of operation and equipment and inspection thereof, which requirements may include but shall not be limited to promulgation of regulations requiring liability and cargo insurance covering all such equipment. Direction and control.

“(f) Nothing in this part shall be construed to authorize the Commission to regulate the duration of any such lease, contract, or other arrangement for the use of any motor vehicle, with driver, or the amount of compensation to be paid for such use— Exceptions.

“(1) where the motor vehicle so to be used is that of a farmer or of a cooperative association or a federation of cooperative associations, as specified in section 203 (b) (4a) or (5), or is that of a private carrier of property by motor vehicle as defined in section 203 (a) (17) and is used regularly in the transportation of property of a character embraced within section 203 (b) (6) or perishable products manufactured from perishable property of a character embraced within section 203 (b) (6), and such motor vehicle is to be used by the motor carrier in a single movement or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based; or 49 USC 303.

“(2) where the motor vehicle so to be used is one which has completed a movement covered by section 203 (b) (6) and such motor vehicle is next to be used by the motor carrier in a loaded

movement in any direction, and/or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based.

Approved August 3, 1956.